



RealPropertyResearchGroup

Market Feasibility Analysis

Freedom's Path II Apartments

Augusta, Richmond County, Georgia

Prepared for:

Affordable Housing Solutions, Inc.

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EXECUTIVE SUMMARY

Affordable Housing Solutions, Inc. has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for Freedom's Path II, a proposed special needs rental community in Augusta, Richmond County, Georgia. As proposed, Freedom's Path II will be financed in part through the use of Low Income Housing Tax Credits (LIHTC) from the Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA's 2012 market study requirements.

1. Project Description

- As an adaptive re-use project, Freedom's Path II will convert an existing building (Building 18) on the Charlie Norwood VA Medical Center Campus into housing units targeting homeless and disabled veterans of the American Armed Services. In total, Freedom's Path II will offer 28 units reserved for households earning at or below 50 percent and 60 percent of the Area Median Gross Income (AMGI), adjusted for household size. The subject property will be general occupancy in nature and will not contain any age restrictions.
- Freedom's Path II is the second phase of a multi-phase development, the first of which (Freedom's Path) will also involve the adaptive reuse of existing VA Medical Center buildings; however, phase I and II of Freedom's Path are expected to apply for tax credits concurrently in the 2012 nine percent competitive round.
- A detailed summary of the subject property, including the rent and unit configuration, is shown in the table below. The rents shown will include the cost of all utilities.

Freedom's Path II							
1 Freedom Way (Charlie Norwood VA Medical Center Campus)							
Augusta, Richmond County, GA 30904							
Income Target	Bed	Bath	Quantity	Square Feet	Developer Rent	Utility Allowance	Gross Rent
50% AMI	0	1	5	500	\$507	\$0	\$507
60% AMI	0	1	23	500	\$542	\$0	\$542
Total			28	89	\$536		
Rents include the cost of all utilities.							

- The newly constructed units at the subject property will offer kitchens with new energy star appliances including a refrigerator, range, dishwasher, garbage disposal, and microwave. Flooring will be a combination of wall-to-wall carpeting and vinyl tile in the kitchen / bathrooms. In addition, all units will include high speed internet access, cable TV connections, and window blinds. The proposed unit features at Freedom's Path II will be competitive with existing LIHTC and market rate rental communities in and around the Freedom's Path II Market Area and will be well received by the target market.
- Freedom's Path II's community amenity package will include a multi-purpose room with kitchen, fitness center, covered porch, computer center, and central laundry facility. These amenities will be competitive with the surveyed rental stock in the Freedom's Path II Market Area and will be appealing to prospective tenants.

2. Site Description / Evaluation

- The subject property will be located in the northwest corner of the Charlie Norwood VA Medical Center. Although the site has an address of Freedom Way, it is located just inside the medical campus west of Maryland Avenue. Freedom Way refers to the main entrance off Wrightsboro Road. Bordering land uses of the community include VA facilities and single-family detached homes.
- Community services, neighborhood shopping centers, medical services, public transportation, and recreational venues are easily accessible in the site's immediate vicinity including both convenience and comparison shopping opportunities within two to three miles.
- The VA Campus can be accessed from the main entrance off Wrightsboro Road (via Freedom Way). Given the traffic light on Freedom Way at Wrightsboro Road, this entrance will provide convenient access to the subject property. From Wrightsboro Road, both Interstate 520 and downtown Augusta are accessible within two miles.
- The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has ample access to amenities, services, and transportation arteries. Given the target market of homeless veterans, the subject site's location on the VA Medical Center Campus is ideal.

3. Market Area Definition

- The Freedom's Path II Market Area consists of twelve 2010 Census tracts in Richmond County, encompassing the west-central portion of Augusta. The boundaries of the Freedom's Path II Market Area and their approximate distance from the subject site are Savannah River / South Carolina (1.9 miles to the north), State Highway 4 / 15th Street (1.8 miles to the east), State Highway 4 / Deans Bridge Road (2.2 miles to the south), and Interstate 520 (2.9 miles to the west).

4. Community Demographic Data

- The Freedom's Path II Market Area experienced modest population and household decline over the past decade, a trend expected to continue. Richmond County is projected to continue to experience modest population and household growth.
 - RPRG estimates that the Freedom's Path II Market Area's population will decrease by 1,826 people between 2012 and 2017, bringing the total population to 42,633. This represents an annual decline of 0.8 percent or 365 persons. The number of households will decrease at a similar rate, falling by 0.6 percent or 558 new households per annum and resulting in a total household base of 18,449 in 2017.
- Based on Nielsen Company estimates, the population of the Freedom's Path II Market Area is older than that of Richmond County with median ages of 35 and 33, respectively. Adults (persons age 35-61 years) constitute the largest age group, accounting for 33.0 percent of the population in the Freedom's Path II Market Area and 33.8 percent of the population in Richmond County.
- Only 27.4 percent of all households in the Freedom's Path II Market Area are married and 27.3 percent contain children. By comparison, Richmond County has a higher marriage rate (36.3 percent) and percentage of households containing children (33.9 percent).



- Based on 2000 and 2010 Census data, the Freedom's Path II Market Area experienced a significant trend away from homeownership with the loss of 1,402 owner occupied households and gain 946 renter households for the decade. According to Nielsen estimates, 2012 and 2017 rental rates in the Freedom's Path II Market Area are 54.6 percent and 58.0 percent, respectively.
- Based on Nielsen estimates, the Freedom's Path II Market Area's 2012 median income of \$31,062 is \$8,008 or 20.5 percent lower than the \$39,070 median in Richmond County. The 2012 median income for renter householders in the Freedom's Path II Market Area is \$23,021. Nearly one-third (32.0 percent) of renter householders in the Freedom's Path II Market Area have an income of less than \$25,000 per year and an additional 22.4 percent earn between \$15,000 and \$24,999.
- The Freedom's Path II Market Area contains a limited number of abandoned or vacant homes and has encountered modest foreclosures over the past year. While the conversion of such properties can affect the demand for new multi-family rental housing in some markets, we do not believe foreclosures will impact demand for the subject property given its deeply subsidized nature and special needs design.

5. Economic Data

- Richmond County's unemployment rate has increased steadily since 2000 with ranges of 4.3 percent to 5.8 percent from 2000-2004 and 6.2 percent to 7.2 percent from 2005-2008. The unemployment rate in Richmond County increased significantly in 2009 to 10.0 percent. The county's unemployment rate peaked at 10.8 percent in 2010 before receding slightly in 2011 and the first quarter of 2012.
- At Place Employment decreased by 9,368 jobs or 8.8 percent between 2000 and 2010. At Place Employment increased slightly through the first three quarters of 2011 with a net gain of 540 jobs.
- The government sector accounts for 25.7 percent of the jobs in Richmond County. By comparison, government accounts for only 16.4 percent of jobs nationally. The next largest sectors in Richmond County are education-health and trade-transportation-utilities with 17.9 percent and 14.2 percent of the county's job base, respectively.
- Based on media reports, three large business expansions will add more than 1,240 jobs in Richmond County. Most of the new jobs are related to expansion of the NSA at Fort Gordon. Overall, the number of new jobs is nearly double those lost as a result of recent layoffs and closures.
- The Richmond County economy exhibited steady growth for much of the past decade before experiencing job loss and high unemployment during the recent national recession. Overall, the county has shown signs of stabilization since the recession's peak in 2008 to 2009 with declining rates of job loss and/or employment growth. Based on current conditions and the deeply subsidized nature of the subject property, we do not believe local economics will negatively impact the proposed Freedom's Path II.

6. Project Specific Affordability and Demand Analysis

- Freedom's Path II will contain 28 units reserved for households earning at or below 50 percent and 60 percent of the Area Median Gross Income (AMGI), adjusted for household size.



- The 50 percent units will target renter householders earning between \$17,383 and \$20,300. The five proposed 50 percent units would need to capture 0.7 percent of the 682 income qualified renter households in order to lease-up.
- The 60 percent units will target renter householders earning between \$18,583 and \$24,360. The 23 proposed 60 percent units would need to capture 1.7 percent of the 1,351 income qualified renter households in order to lease-up.
- All affordability capture rates are well within reasonable and achievable levels for an affordable housing community. It is important to note, affordability capture rates are based solely on existing age and income qualified renter households and do not take into account additional sources of demand.
- Based on DCA methodology, net demand of 873 exists for the subject property's 50 and 60 percent LIHTC units in the Freedom's Path II Market Area resulting in a project capture rate of 3.2 percent.
- Overall, all DCA demand estimates are well below acceptable DCA thresholds (30 percent) and are reasonable and achievable for Freedom's Path II. The overall capture rates and capture rates by floor plan indicate sufficient demand to support the proposed development as an affordable housing rental community.
- According to the 2008 U.S. Department of Veterans Affairs' Project CHALENG Survey Results, which provide estimates of need by region, the Augusta-Richmond County region had 108 homeless veterans as of 2008. Based on housing availability and need, the Augusta-Richmond County service area was in need of 38 emergency beds, 175 transitional housing beds, and 50 permanent housing beds (Table 27). The proposed development of the 28 units at Freedom's Path II will satisfy the housing demand for this special needs population.

7. **Competitive Rental Analysis**

- For the purposes of this analysis, RPRG surveyed 18 general occupancy rental communities in the Freedom's Path II Market Area. Of these 18 properties, two were financed by Low Income Housing Tax Credits (LIHTC), two were funded through the HUD Section 8 program, and 14 are market rate. Overall, the rental communities are performing well with modest vacancy rates. While the overall LIHTC vacancy rate is higher, this due to the poor performance of one property which is older and not comparable to the special needs units proposed at the subject property.
- Excluding Oak Hill which refused to report occupancy, the 15 surveyed LIHTC and market rate rental communities combine to offer 1,624 units, of which 71 or 4.4 percent were reported vacant. Among the two LIHTC properties, 28 of 332 units were available at the time of our survey for a vacancy rate of 8.4 percent; however, all 28 vacant units occurred at Magnolia Park. The remaining LIHTC community, Forest Brook, was 100 percent occupied. In addition, both deeply subsidy rental communities were fully occupied with waiting lists.
- Among surveyed LIHTC and market rate rental communities, average net rents and rents per square foot by floor plan are as follows:
 - **Efficiency** units offered at Champion Pines have an effective rent of \$545 per month. With a unit size of 500 square feet, the resulting in a net rent per square foot is \$1.09.

- **One-bedroom** effective rents averaged \$503 per month. The average one-bedroom square footage was 693 square feet, resulting in a net rent per square foot of \$0.73.
- The average “market rents” among comparable communities are \$545 for an efficiency unit (based on one property) and \$558 for a one bedroom unit. Compared to average market rents, the subject property’s proposed efficiency rents (adjusted for utilities) would have rent advantages ranging from 16.7 percent to 24.9 percent.
- No new rental communities comparable to Freedom’s Path II are planned or under construction in the Freedom’s Path II Market Area.

8. Absorption/Stabilization Estimates

- We believe the product proposed will be appealing to the target market given the unit designs, amenities, location on the VA Medical Center Campus, and reasonableness of the proposed rents. Based on these factors and assuming an aggressive, professional marketing campaign, Freedom’s Path II should be able to lease up at a minimum rate of four units per month. At this rate, the project would be able achieve 93 percent occupancy within an approximate six to seventh month time period. This lease-up rate allows additional time to identify potential residents. If the individuals in the target market area are identified early, the lease up period may be shortened.
- The development of Freedom’s Path II Apartments should not have an adverse impact on the existing rental stock in the Freedom’s Path II Market Area, as none of the LIHTC and market rate rental communities serve the same tenant population as the subject property. In addition, the subject property is likely to attract a significant number of tenants from beyond the Freedom’s Path II Market Area in the greater Augusta-Richmond County region. Furthermore, the rental market in the Freedom’s Path II Market Area is generally performing well with modest vacancies.

9. Overall Conclusion / Recommendation

- At the time of this report, Freedom’s Path II did not have a firm commitment for additional subsidies in concert with its proposed LIHTC funding. As such, the proposed development was evaluated strictly without the inclusion of project based rental assistance (PBRA); however, it is our understanding that, given its special needs target market, the subject property is likely to receive project based subsidies through the Augusta Housing Authority and/or the U.S. Department of Veteran Affairs prior to development.
- Based on an analysis of the proposed target market, demand for these specialized units, current rental market conditions, and socio-economic and demographic characteristics of the Freedom’s Path II Market Area, RPRG believes that the proposed Freedom’s Path II will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance into the rental market. The product to be constructed will be not only be geared toward the special needs population, but will also be competitive with the local rental market. The proposed development will also help address the void for permanent housing for homeless veterans. We recommend proceeding with the project as planned.

**Capture Rate Analysis Chart:**

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents*
50% Units	\$17,383 - \$20,300										
Efficiency Units	\$17,383 - \$20,300	5	6.5%	365	0	365	1.4%	1-2 Months	\$545	\$545	\$507 (\$419 adj.)
60% Units	\$18,583 - \$24,360										
Efficiency Units	\$18,583 - \$24,360	23	12.9%	723	0	723	3.2%	5-6 Months	\$545	\$545	\$542 (\$454 adj.)
Project Total											
50% Units	\$17,383 - \$20,300	5	6.5%	365	0	365	1.4%	1-2 Months			
60% Units	\$18,583 - \$24,360	23	12.9%	723	0	723	3.2%	5-6 Months			
Total Units	\$17,383 - \$20,300	28	15.5%	873	0	873	3.2%	6-7 Months			

*Adjusted proposed rents include the added cost of water/sewer for the purposes of market rent advantage calculations.

DCA Summary Table:

SUMMARY TABLE:			
Development Name:	Freedom's Path II Apartments	Total # Units:	28
Location:	1 Freedom Way, Augusta GA 30904	# LIHTC Units:	28
PMA Boundary:	North: Savannah River / South Carolina, East: State Highway 4 / 15 th Street, South: State Highway 4 / Deans Bridge Road, West: Interstate 520		
	Farthest Boundary Distance to Subject:		2.9 miles

RENTAL HOUSING STOCK – (found on 5 , 58 , 64)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	18	1,638	71	95.7%
Market-Rate Housing	14	1,306	43	96.7%
Assisted/Subsidized Housing not to include LIHTC	2	14	0	100.0%
LIHTC	2	332	28	91.6%
Stabilized Comps	16	1,624	71	95.6%
Properties in construction & lease up				

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
5	0	1	500	\$507(\$419*)	\$545	\$1.09	23.1%	\$585	\$1.17
23	0	1	500	\$542(\$454*)	\$545	\$1.09	16.7%	\$585	\$1.17

(Proposed tenant rent is adjusted for utilities*)

DEMOGRAPHIC DATA (found on 21 , 26, 46)						
	2000		2012		2014	
Renter Households	9,307	47.3%	10,378	54.6%	10,505	55.9%
Income-Qualified Renter HHs (LIHTC)	1,452	15.6%	1,621	15.6%	1,632	15.5%
Income-Qualified Renter HHs (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on 49)						
Type of Demand	50%	60%				Overall
Renter Household Growth	-16	-32				-38
Existing Households (Overburd + Substand)	333	661				798
Homeowner Conversion (Seniors)						
Secondary Market Demand (15%)	48	94				114
Less Comparable/Competitive Supply	0					0
Net Income-qualified Renter HHs	365	723				873

CAPTURE RATES (found on 49)						
Targeted Population	50%	60%				Overall
Capture Rate	1.4%	3.2%				3.2%

1. INTRODUCTION

A. Overview of Subject

The subject of this report is Freedom's Path II, a proposed rental community targeting homeless and disabled veterans in Augusta, Richmond County, Georgia. As an adaptive re-use project, Freedom's Path II will utilize an existing building on the Charlie Norwood VA Medical Center Campus and will be financed in part by Low Income Housing Tax Credits (LIHTC) allocated the Georgia Department of Community Affairs (DCA). In total, Freedom's Path II will offer 28 units reserved for households earning at or below 50 percent and 60 percent of the Area Median Gross Income (AMGI), adjusted for household size. Freedom's Path II is the second phase of the Freedom's Path development, the first of which (Freedom's Path) will also involve the adaptive reuse of existing VA Medical Center buildings; however, phase I and II of Freedom's Path are expected to apply for tax credits concurrently in the 2012 nine percent competitive round.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis. As the construction of Freedom's Path II will be financed in part by Low Income Housing Tax Credits (LIHTC), RPRG expects this study to be submitted to the Georgia Department of Community Affairs (DCA) in the 2012 nine percent competitive round.

C. Format of Report

The report format is comprehensive and conforms to DCA's 2012 market study requirements. The market study also considered the National Council of Affordable Housing Market Analysts' (NCAHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Affordable Housing Solutions, Inc.. Along with the Client, the intended users are DCA and potential investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2012 Market Study Requirements
- The National Council of the Affordable Housing Market Analyst's (NCAHMA) Model Content Standards and Market Study Index.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendices 5-6 for a detailed list of DCA and NCAHMA requirements as well as the corresponding pages of requirements within the report. The NCAHMA requirements listed below are not applicable considering the following:
 - **Estimate of Market Rent and Estimate of Achievable Restricted Rent** – As DCA requires its own “market rent” calculation, including separate NCAHMA estimates of market and achievable restricted rent would be confusing to the reader. For the purposes of this analysis, the appropriateness of the proposed rents was evaluated without a derivation of NCAHMA market and achievable restricted rents.
- Michael Riley (Analyst), conducted visits to the subject site, neighborhood, and market area on June 5, 2012.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Bob Austin with the Augusta Planning and Zoning, and officials with the Augusta Housing Authority.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

H. Other Pertinent Remarks

None.

2. PROJECT DESCRIPTION

A. Project Overview

Freedom's Path II will contain 28 rental units in Building 18 on the Charlie Norwood VA Medical Center Campus, all of which will be efficiencies. All units at Freedom's Path II will benefit from Low Income Housing Tax Credits (LIHTC) and be restricted to households earning at or below 50 percent and 60 percent of the Area Median Gross Income (AMGI), adjusted for household size.

At the time of this report, Freedom's Path II did not have a firm commitment for additional subsidies in concert with its proposed LIHTC funding. As such, the proposed development was evaluated strictly without the inclusion of project based rental assistance (PBRA); however, it is our understanding that, given its special needs target market, the subject property is likely to receive project based subsidies through the Augusta Housing Authority and/or the U.S. Department of Veteran Affairs prior to development.

B. Project Type and Target Market

Freedom's Path II will target low income renter households and provide permanent housing for homeless and disabled veterans of the American Armed Services. As the community will offer efficiency units, potential renter households will primarily consist of single-person households.

C. Building Types and Placement

The 28 rental units offered at Freedom's Path II will be contained in Building 18 (currently vacant) on the Charlie Norwood VA Medical Center campus. Building 18 is a four-story mid-rise building with interior access hallways and a central elevator. The general redevelopment plan for the building will utilize the original building structure, but demolish/reconfigure interior walls to construct apartments and community amenities. Parking for the community will be available in an adjacent lot and free for all residents.

D. Detailed Project Description

1. Project Description

- Freedom's Path II will offer 28 efficiency units, including five at 50 percent of the AMGI and 23 at 60 percent of the AMGI (Table 1).
- The adaptive reuse of the existing building for Freedom's Path II will result in a range of unit sizes with an approximate average of 500 square feet.
- Efficiency units will each contain one bathroom.
- The proposed rents for Freedom's Path II are as follows:
 - \$507 for 50 percent efficiency LIHTC units
 - \$542 for 60 percent efficiency LIHTC units
- The proposed rents will include the cost of all utilities. All units will feature electric appliances and heating.

The following **unit features** are planned:

- Full Kitchens with Energy Star appliances including a refrigerator (with an icemaker), stove/oven, dishwasher, garbage disposal, and microwave
- Central heat and air-conditioning
- Wall-to-wall carpeting in living room and bedrooms, vinyl floors in kitchens and bathrooms
- Wiring for high-speed internet access and cable television

The following **community amenities** are planned:

- Community room with kitchen
- Fitness center
- Computer center
- Covered porch
- Elevator
- Central laundry facility
- Management office/counseling center

Table 1 Freedom's Path II Project Summary

Freedom's Path II							
1 Freedom Way (Charlie Norwood VA Medical Center Campus)							
Augusta, Richmond County, GA 30904							
Income Target	Bed	Bath	Quantity	Square Feet	Developer Rent	Utility Allowance	Gross Rent
50% AMI	0	1	5	500	\$507	\$0	\$507
60% AMI	0	1	23	500	\$542	\$0	\$542
Total			28	89	\$536		
Rents include the cost of all utilities.							
Project Information					Additional Information		
Number of Residential Buildings			One		Construction Start Date		June 2013
Building Type			Mid-Rise		Date of First Move-In		July 2014
Number of Stories			Four		Construction Finish Date		July 2014
Construction Type			Adaptive Reuse		Parking Type		Surface
Design Characteristics (exterior)			Brick and Stone		Parking Cost		None
Community Amenities	Community Room with Kitchen, Fitness Center, Computer Center, Covered Porch, Elevator, Central Laundry Area				Kitchen Amenities		
					Dishwasher		Yes
					Disposal		Yes
					Microwave		Yes
					Range		Yes
					Refrigerator		Yes
Unit Features	Range/Oven, Refrigerator, Garbage Disposal, Dishwasher, Microwave, Carpet, Central Heat and Air Conditioning				Utilities Included		
					Water/Sewer		Owner
					Trash		Owner
					Heat		Owner
					Heat Source		Elec
					Hot/Water		Owner
Electricity		Owner					
Other:							



2. Other Proposed Uses

None.

3. Pertinent Information on Zoning and Government Review

The subject site is zoned R-3C, which is appropriate for multi-family residential use, and is located on the Charlie Norwood VA Medical Center campus. We are not aware of any other land use regulations that would affect the property.

4. Proposed Timing of Construction

The construction/reconfiguration of Freedom's Path II is expected to begin in June of 2013 with completion/date of first move-in planned in July of 2014. Based on this construction timeline, the anticipated placed-in-service year for the subject property is 2014.

3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Evaluation

1. Site Location

The Freedom's Path II site is located at the northwest corner of the Charlie Norwood VA Medical Center Campus in Augusta, Richmond County, Georgia (Map 1, Figure 1). Relative to the surrounding area, the Charlie Norwood VA Medical Center campus is located in west-central Augusta, approximately two miles east of Interstate 520 and three miles southwest of downtown.

2. Existing Uses

The subject site contains Building 18, which is currently vacant. Building 18 is surrounded by grassy land and medium to large trees (north, east, and west) and is connected by an enclosed breezeway to Building 19 (south). At the time of our site visit, we did not observe any environmental conditions that would restrict the property's use or impact its marketability.

3. Size, Shape, and Topography

Based on field observations, the land surrounding each building on the subject site has a relatively flat topography and roughly rectangular shape.

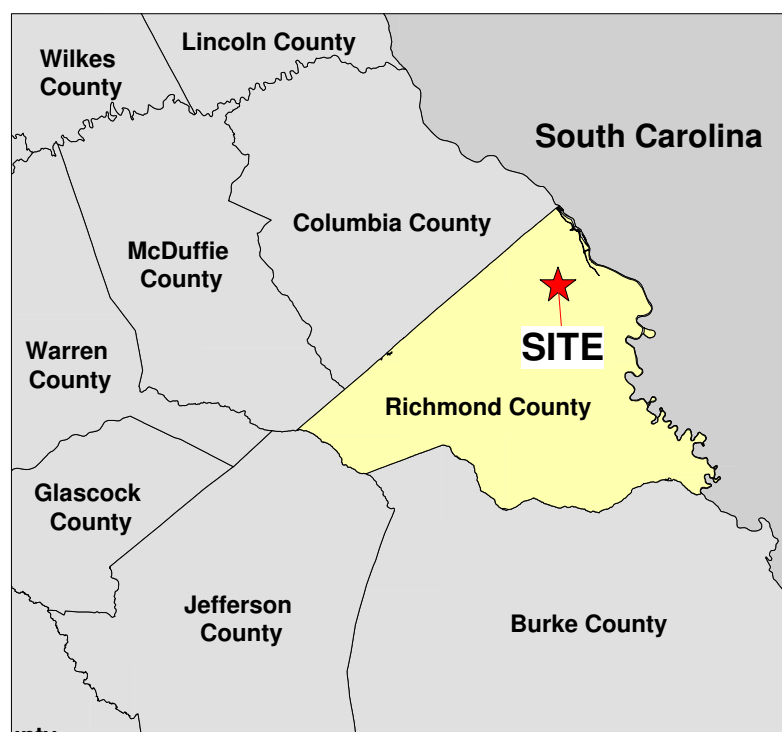
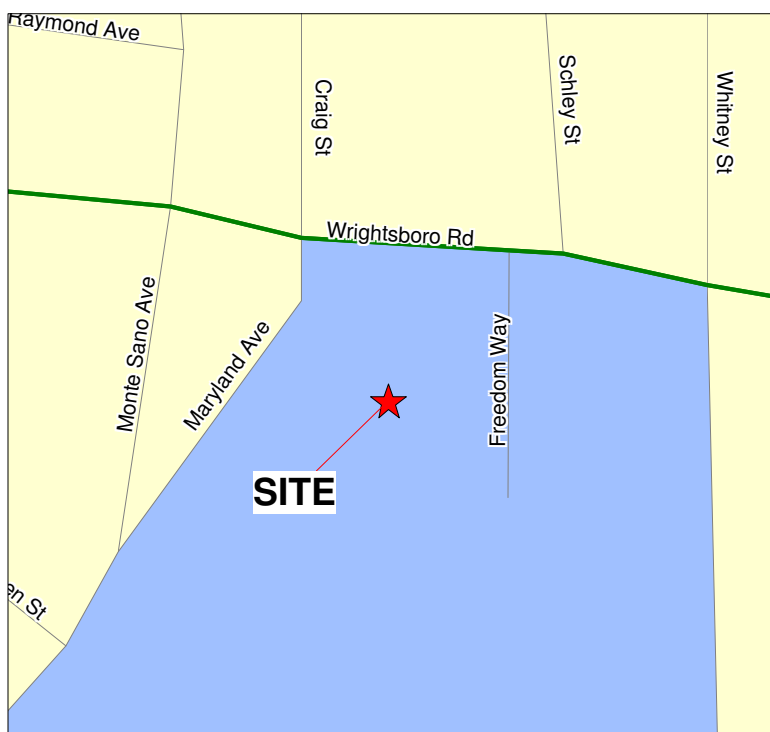
4. General Description of Land Uses Surrounding the Subject Site

The Charlie Norwood VA Medical Center Campus is located in an established residential portion of Augusta. Single-family detached homes surround the medical center on all sides with commercial development also common along Wrightsboro Road immediately north and west of the site. The VA campus is also located within one-half mile of Augusta State College and Trinity Hospital. Additional non-residential uses in the area include Daniel Field, a general aviation airport owned by the city, and Augusta Water Works' reservoir.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site, starting from the north and proceeding in a clockwise direction, are as follows:

- **North:** Wrightsboro Road / Commercial businesses
- **East:** Freedom Way / VA Medical Center Campus
- **South:** Building 19 / VA Medical Center
- **West:** Maryland Avenue / Single-family detached homes / Child day-care



Map 1
Site Location
Richmond County, GA

Figure 1 Satellite Images of Subject Site



Figure 2 Views of Subject Site – Building 76



View of building 18 facing northeast



View of building 18 facing northwest



View of building 18 southwest



View of an existing courtyard adjacent to building 18 facing east



View of building 18 (left) and building 19 (right) facing east



View of building 18 facing northeast

Figure 3 Views of Surrounding Land Uses



View of Charlie Norwood Medical Center



View of building 19 connected to building 18 to the south



View of a grassy field bordering the subject site to the northeast



View of maintenance buildings bordering the site to the west



View of a single-family detached home on Maryland Avenue



View of a grassy field and trees bordering the site to the east

B. Neighborhood Analysis

1. General Description of Neighborhood

The subject site's immediate neighborhood is suburban in nature, dominated by lower-density structures that are generally of an older vintage. Overall, residential land uses typically consist of modest size single-family detached homes in good to fair condition and smaller multi-family rental communities, several of which are funded through the HUD Section 8 or LIHTC programs. Outside of the downtown area, the largest contingents of commercial development are located near Wrightsboro Road's interchange with Interstate 520 and along U.S. Highway 278 between Interstate 520 and U.S. Highway 25 (within two to three miles of the subject site).

2. Neighborhood Investment and Planning Activities

None Identified.

3. Public Safety

In 2010, 15,804 crimes were reported in Richmond County (most recent data available). Based on a 2010 population of 193,233, the crime rate was 81.79 crimes per 1,000 persons (Table 2). Approximately 92 percent of crimes reported in Richmond County were burglaries, larceny-theft, or motor vehicle theft. A small percentage of the crimes in Richmond County were violent crimes. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.

Table 2 2010 Crime Statistics, Richmond County

Crimes Reported in Richmond County, Georgia in 2010		
Crime	Number	Rate*
Total	15,804	81.79
Murder	36	0.19
Rape	127	0.66
Robbery	649	3.36
Aggravated Assault	322	1.67
Burglary	4,287	22.19
Larceny-Theft	8,814	45.61
Motor Vehicle Thefts	1,569	8.12

*Rate is per 1,000 persons

Source: Georgia Bureau of Investigation

C. Site Visibility and Accessibility

1. Visibility

As the subject property will be located directly on the VA Medical Center Campus, it will be highly visible to its target population and will likely draw prospective tenants from medical and rehabilitation facilities already on site. The subject property will also benefit from regional awareness as part of the VA Medical Center's public profile.

2. Vehicular Access

The VA Medical Center Campus can be accessed from the main entrance off Wrightsboro Road via Freedom Way. Given the traffic light at Freedom Way and Wrightsboro Road, the main entrance will

provide convenient access to the subject property. As part of the overall development plan, a new access road will also be constructed to provide more direct link to Building 18 from Freedom Way northwest of the subject property. From Wrightsboro Road, both Interstate 520 and downtown Augusta are accessible within three miles. No problems with ingress/egress are anticipated.

3. Availability of Public and Inter Regional Transit

Augusta Public Transit provides comprehensive public transportation services throughout Augusta and Richmond County. Services include fixed route bus service with nine routes, access to ADA Paratransit service, and the Richmond Rural Transit Service. A bus stop on Route 12 – Augusta Mall is located at the entrance to the VA Medical Center Campus on Wrightsboro Road and is within a short walking distance of the subject site.

Augusta is located on the south side of Interstate 20, which provides access to Atlanta (east) and Columbia, South Carolina (east). Interstate 520 serves as a perimeter highway/by-pass and forms a horseshoe on the south side of Interstate 20 with the western connection in Georgia and the eastern connection in South Carolina. Sand Bar Ferry Road connects with Interstate 520 less than one-half mile east of the subject site. Major highways serving Augusta and Richmond County include U.S. Highways 1, 25, 78, and 278.

Augusta is served by the Augusta Regional Airport, located on Highway 56, four miles south of Interstate 520. The airport served approximately 500,000 passengers in 2011 and is served by Delta and US Airways. Direct flights are available to Atlanta, Dallas, Reagan National, and Charlotte. Augusta Regional Airport is within 10 miles of the subject site.

4. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. At the time of this report, no major road construction projects were identified that would directly impact the subject site.

Transit and Other Improvements Under Construction and Planned

None identified.

D. Residential Support Network

1. Key Facilities and Services Near the Subject Sites

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services and their distances from the subject site are listed in Table 3. The location of those facilities is plotted on Map 2.

Table 3 Key Facilities and Services

Establishment	Type	Address	City	Distance
Bi-Lo	Grocery	2803 Wrightsboro Rd.	Augusta	0.3 mile
Norwood VA Medical Center	Doctor/Medical	1 Freedom Way	Augusta	0.3 mile
Norwood VA Medical Center	Hospital	1 Freedom Way	Augusta	0.3 mile
Rite Aid	Pharmacy	2803 Wrightsboro Rd.	Augusta	0.3 mile
Transit Bus Stop	Public Transportation	1 Freedom Way	Augusta	0.3 mile
Trinity Hospital of Augusta	Hospital	2260 Wrightsboro Rd.	Augusta	0.6 mile
Family Medicine Associates of Augusta	Doctor/Medical	1417 Pendleton Rd.	Augusta	0.6 mile
Monte Sano Elementary School	Public School	2164 Richmond Ave.	Augusta	0.9 mile
Appleby Public Library	Library	2260 Walton Way	Augusta	1.2 miles
Langford Middle School	Public School	3019 Walton Way Ext.	Augusta	1.4 miles
Academy of Richmond County	Public School	910 Russell St.	Augusta	1.6 miles
Regency Mall	Mall	1700 Gordon Hwy.	Augusta	1.7 miles
Kmart	General Retail	1647 Gordon Hwy.	Augusta	1.9 miles
Richmond County Fire Department	Fire	2618 Richmond Hill Rd.	Augusta	2.5 miles
Augusta Mall	Mall	3450 Wrightsboro Rd.	Augusta	2.9 miles
Wal-Mart	General Retail	1108 10th St.	Augusta	3.2 miles
Target	General Retail	235 Robert C Daniel Jr Pky.	Augusta	3.4 miles
Richmond County Sheriff's Department	Police	401 Walton Way	Augusta	4 miles

2. Essential Services

Health Care

The closest medical center to the subject site is the VA Medical Center, which will serve the proposed tenant base of the subject property. The Charlie Norwood VA Medical Center is a two-division Medical Center that provides tertiary care in medicine, surgery, neurology, psychiatry, rehabilitation medicine, and spinal cord injury. The Uptown Division (adjacent to site) is authorized for 315 beds (68 psychiatry, 15 blind rehabilitation and 40 medical rehabilitation), a 132-bed Restorative/Nursing Home Care Unit and a 60 unit domiciliary.

The closest general (non-VA) healthcare provider to the proposed site is Trinity Hospital, a 231 bed not-for-profit medical center located 0.6 mile east of the subject site. With over 200 physicians and 850 employees, Trinity Hospital offers a variety of medical treatment options and services including 24 hour emergency care, surgical services, outpatient care, and Obstetrics/Gynecology.

Outside of major healthcare providers, several smaller clinics and independent physicians are located within one to two miles of the subject site. The closest of these is Family Medicine Associates of Augusta, located next to Trinity Hospital 0.6 mile to the east.

Education

The subject site is located in the Richmond County Public School District with an enrollment of 32,253 (2011-2012). The Richmond County Public School System consists of 58 total schools including 34 elementary schools, eight middle schools, and eight high schools. For non-traditional education, the RCSS has three magnet schools, three alternative schools, and two charter schools. The public schools children living in the proposed development would attend and their distance from the subject site are Monte Sano Elementary (0.9 mile), Langford Middle (1.4 miles), and Aquinas High (1.4 miles). Given the targeted special needs population, it is unlikely any school age children will be residing at the subject property.

The subject site is also located in close proximity to numerous public and private institutions of higher learning. Universities and Colleges in the Augusta area include Augusta State University, Medical College of Georgia, Paine College, Savannah River College, Virginia College, and Augusta Technical College.

3. Commercial Goods and Services

Convenience Goods

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

Freedom's Path II is located within one mile of several retailers, nearly all of which are situated along Wrightsboro Road fronting the northern side of the VA Medical Center Campus. The closest retailers, restaurants, and service providers to the subject site are located in the Daniel Village Shopping Center and include Bi-Lo, Rite-Aid, Movie Gallery, Nail Garden, and UPS Store (among others). At a distance of 0.3 mile, Bi-Lo and Rite-Aid are the closest full-service grocery store and pharmacy to the subject site, respectively.

Shoppers Goods

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers' goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

Augusta's largest regional shopping area is centered on Augusta Mall located at the Wrightsboro Road / Interstate 520 interchange approximately 3.5 miles west of the site. The Augusta Mall contains over 150 stores anchored by Dick's Sporting Goods, Dillard's, JCPenney, Macy's, and Sears. Substantial commercial development, including numerous big-box retailers, is also located throughout this area.

Recreational Amenities

Freedom's Path II will be convenient to a variety of recreational amenities, the closest of which are located directly on the VA Medical Center Campus just southeast to the subject site. These include a baseball/softball diamond, community garden, two tennis courts, two basketball courts, walking/jogging paths, and ample green space. Other notable recreational amenities in the region



(within ten miles) include King Park, Pendleton King Park, Augusta Golf Course, Forest Hills Golf Course, Julian Smith Park, Chafee Park, and Appleby Public Library.

4. Location of Low Income Housing

A list and map of existing low-income housing in the Freedom's Path II Market Area are provided in the Housing Authority Data / Subsidized Housing List section of this report, starting on page 65.

E. Site Conclusion

Overall, the proposed development of Freedom's Path II is compatible with surrounding land uses which include other components of the Charlie Norwood Veterans Affairs Hospital, single-family detached homes, and commercial uses. The site is also located within one to two miles of community amenities, including medical providers, restaurants, and shopping opportunities, as well as major transportation arteries and downtown Augusta. Based on these factors, the site for Freedom's Path II is appropriate for its proposed use of special needs housing for Veterans of the American Armed Services. No land uses were identified at the time of the site visit that would negatively impact the site's marketability.



Map 2
Neighborhood Amenities
Richmond County, GA

4. MARKET AREA

A. Introduction

The primary market area for Freedom's Path II is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Freedom's Path II Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Freedom's Path II Market Area consists of twelve 2010 Census tracts in Richmond County, encompassing the west-central portion of Augusta. The boundaries of the Freedom's Path II Market Area and their approximate distance from the subject site are:

- **North:** Savannah River / South Carolina (1.9 miles)
- **East:** State Highway 4 / 15th Street (1.8 miles)
- **South:** State Highway 4 / Deans Bridge Road (2.2 miles)
- **West:** Interstate 520 (2.9 miles)

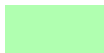
The Freedom's Path II Market Area is roughly centered along Wrightsboro Road, including portions of Richmond County and the City of Augusta most comparable with the area immediately surrounding the subject site. The vast majority of the Freedom's Path II Market Area is located inside the I-520 Bypass, although a portion of one census tract (105.04) extends west of this boundary. Given the shape and size of this tract in addition to its proximity to the site, it was included so as not to be overly restrictive. The older and established downtown district of Augusta was not included in the Freedom's Path II Market Area, however, as the site is located in more suburban area surrounded by low-density residential land uses.

As the subject property's target market is a special needs population, residents are expected to be drawn from throughout the city, county, and region. In order to provide an evaluation of local data and trends, the Freedom's Path II Market Area was drawn based on the project being a traditional multi-family rental community. Given the relatively conservative market area boundaries and specialized nature of the target market, it is likely that the subject property will attract demand from the secondary market area (Richmond County) up to and beyond the 15 percent accounted for in DCA's demand methodology.

This market area is depicted in Map 3 and the 2010 Census tracts that comprise the market area are listed on the edge of the map. The Freedom's Path II Market Area is compared to Richmond County, which is considered the secondary market area for the purposes of this analysis; however, demand estimates are based solely on the Freedom's Path II Market Area.



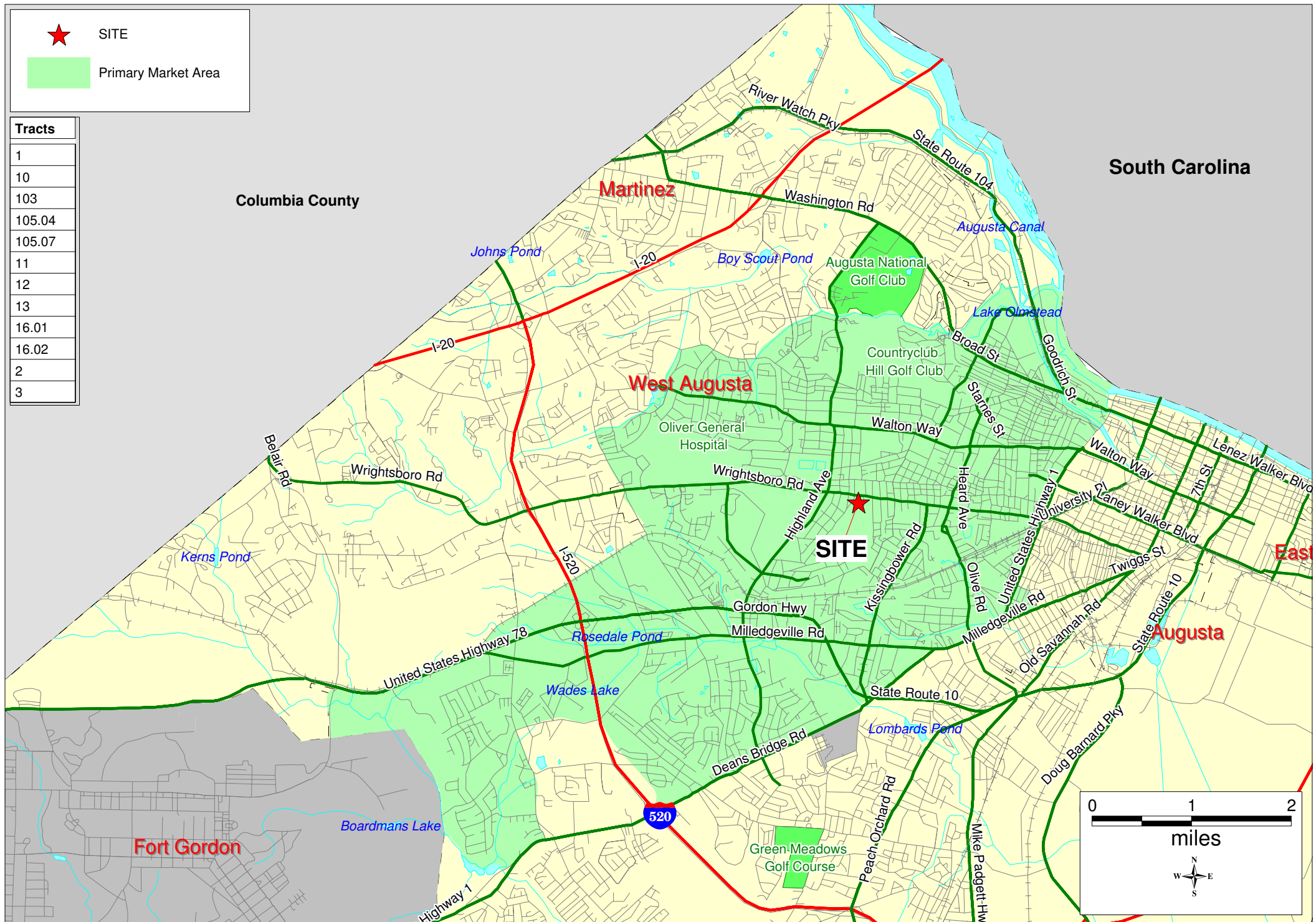
SITE



Primary Market Area

Tracts

1
10
103
105.04
105.07
11
12
13
16.01
16.02
2
3



Map 3
Freedom's Path II Market Area
Richmond County, GA

5. COMMUNITY DEMOGRAPHIC DATA

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Freedom's Path II Market Area using U.S. Census data and data from Nielsen, a national data vendor that prepares small area estimates and projections of population and households. Building Permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered. Table 4 presents a series of panels that summarize these Census data, estimates, and projections.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Freedom's Path II Market Area decreased by 4.4 percent, from 47,307 to 45,211 people (Table 4). This equates to an annual rate of decline of 0.5 percent or 210 people. During the same time period, the number of households in the Freedom's Path II Market Area fell by 2.3 percent, from 19,691 to 19,235 households, an annual decrease of 0.2 percent or 46 households.

Conversely, Richmond County experienced limited to modest population and household growth during this period. The population of Richmond County increased by 0.4 percent from 2000 to 2010 (less than 0.1 percent annually), while the number of households in Richmond County increased at an annual rate of 0.4 percent.

2. Projected Trends

Based on Nielsen estimates, the Freedom's Path II Market Area lost 752 people and 228 households between 2010 and 2012. RPRG further estimates that the market area's population will decrease by 1,826 people between 2012 and 2017, bringing the total population to 42,633. This represents an annual decline of 0.8 percent or 365 persons. The number of households will decrease at a similar rate, falling by 0.6 percent or 558 new households per annum and resulting in a total household base of 18,449 in 2017.

In Richmond County, the population and household bases are expected to grow a minimal pace. The Richmond County's population is expected to increase by 0.1 percent annually while its household base is expected to increase by 0.2 percent annually.

3. Building Permit Trends

RPRG examines building permit trends as one way of determining if the housing supply is meeting demand, as measured by new households. Between 2000 and 2009, an average of 660 new housing units was authorized annually in Richmond County compared to household growth of 300 (Table 5). Building permit activity has slowed significantly since 2006 (815 units permitted) with an average of 346 units permitted from 2008 to 2011.

From 2000 to 2011, 85 percent of all residential permits issued in Richmond County have been for single-family detached homes. Multi-family structures account for 14 percent of all units permitted since 2000.

Table 4 Population and Household Projections

Richmond County					Change 2000 to 2010				Change 2010 to 2012				Change 2012 to 2017			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2012	2017		#	%	#	%	#	%	#	%	#	%	#	%
Population	199,775	200,549	200,921	201,853	774	0.4%	77	0.0%	372	0.2%	186	0.1%	932	0.5%	186	0.1%
Group Quarters	10,911	10,508	10,526	10,571												
Households	73,920	76,924	77,297	78,239	3,004	4.1%	300	0.4%	373	0.5%	187	0.2%	942	1.2%	188	0.2%
Average HH Size	2.55	2.47	2.46	2.44												

Freedom's Path II Market Area					Change 2000 to 2010				Change 2010 to 2012				Change 2012 to 2017			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2012	2017		#	%	#	%	#	%	#	%	#	%	#	%
Population	47,307	45,211	44,459	42,633	-2,096	-4.4%	-210	-0.5%	-752	-1.7%	-376	-0.8%	-1,826	-4.1%	-365	-0.8%
Group Quarters	1,424	920	922	925												
Households	19,691	19,235	19,007	18,449	-456	-2.3%	-46	-0.2%	-228	-1.2%	-114	-0.6%	-558	-2.9%	-112	-0.6%
Average HH Size	2.33	2.30	2.29	2.26												

Note: Annual change is compounded rate.

Source: US Census of Population and Housing, 2000 and 2010; Nielsen Company, RPRG

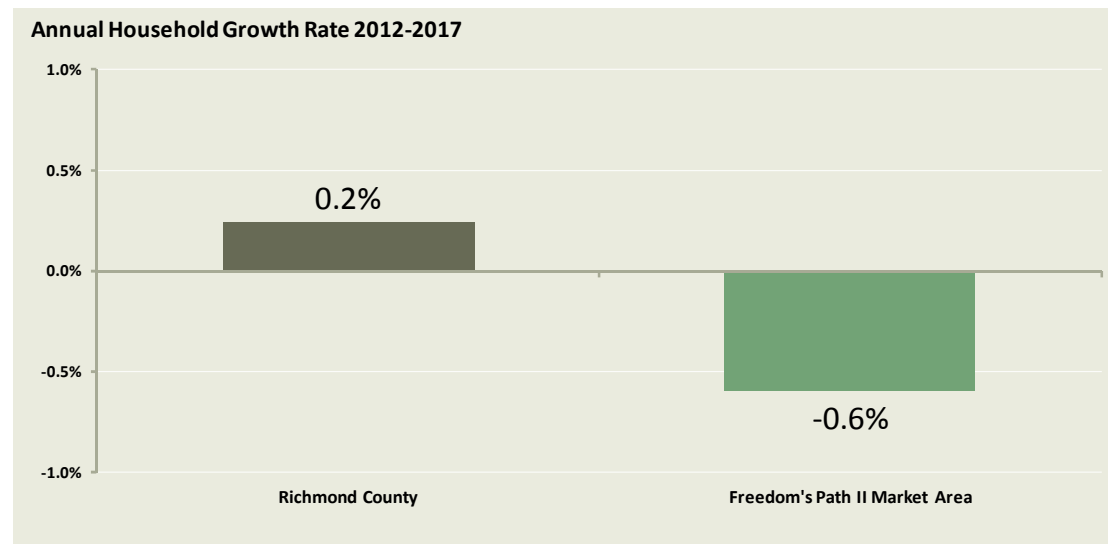
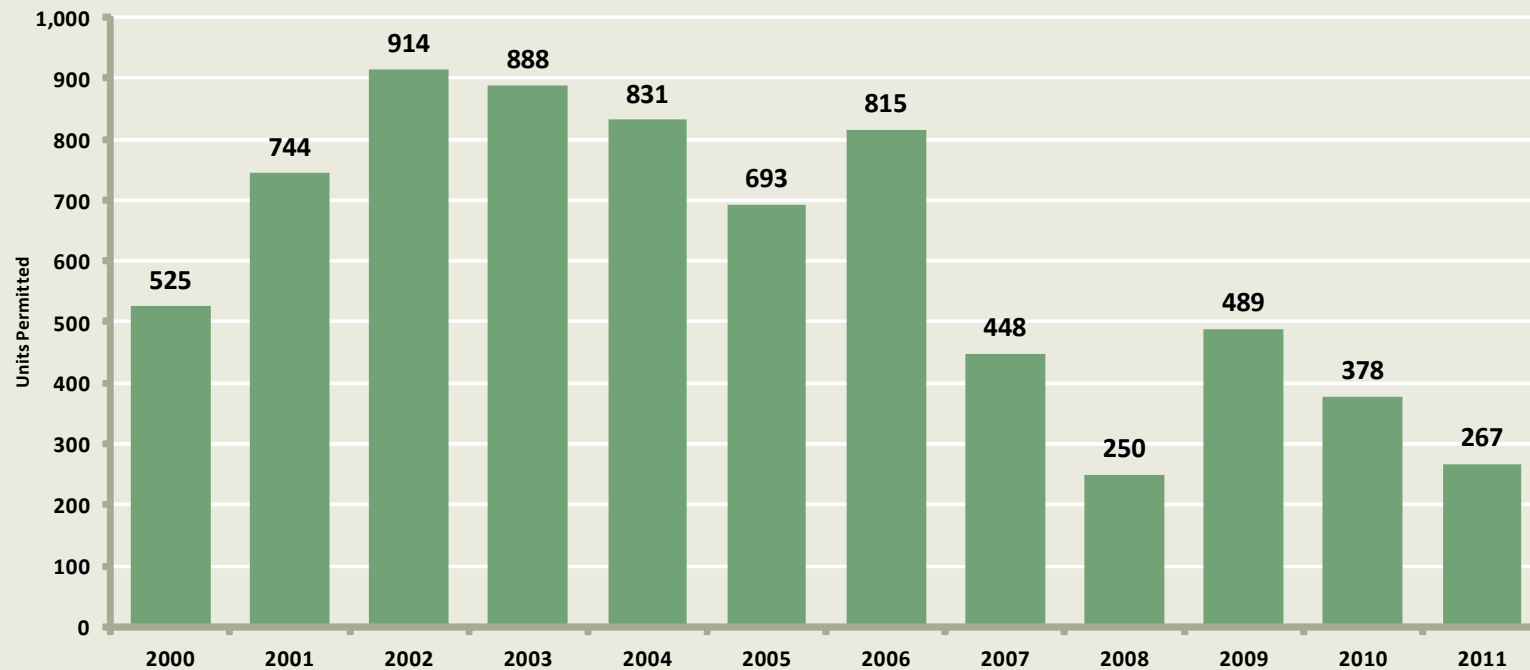


Table 5 Building Permits by Structure Type, Richmond County

Richmond County														
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2000-2011	Annual
Single Family	483	548	565	664	829	604	815	448	194	391	371	267	6,179	515
Two Family	0	0	6	0	2	0	0	0	0	0	0	0	8	1
3 - 4 Family	0	0	20	0	0	0	0	0	0	0	0	0	20	2
5 or more Family	42	196	323	224	0	89	0	0	56	98	7	0	1,035	86
Total	525	744	914	888	831	693	815	448	250	489	378	267	7,242	604

Source: U.S. Census Bureau, C-40 Building Permit Reports.

Total Housing Units Permitted 2000 - 2010



C. Demographic Characteristics

1. Age Distribution and Household Type

Based on Nielsen Company estimates, the population of the Freedom's Path II Market Area is older than that of Richmond County with median ages of 35 and 33, respectively (Table 6). Adults (persons age 35-61 years) constitute the largest age group, accounting for 33.0 percent of the population in the Freedom's Path II Market Area and 33.8 percent of the population in Richmond County. Children (persons under the age of 18) are also prevalent, comprising between 25 and 26 percent of the populations in both geographies. A smaller percentage of people in the Freedom's Path II Market Area and Richmond County are young adults (persons age 18 to 34 years) and seniors (persons age 62+).

Only 27.4 percent of all households in the Freedom's Path II Market Area are married and 27.3 percent contain children (Table 7). By comparison, Richmond County has a higher marriage rate (36.3 percent) and percentage of households containing children (33.9 percent). Single parent households account for over two-thirds (67.2 percent) of all households with children present in the Freedom's Path II Market Area, less than the 54.8 percent rate in the Richmond County. The Freedom's Path II Market Area also contains a higher percentage of both non-married without children and single person households.

2. Renter Household Characteristics

As of the 2010 Census, 53.3 percent of all households in the Freedom's Path II Market Area were renters. Based on 2000 and 2010 Census data, the Freedom's Path II Market Area experienced a significant trend away from homeownership with the loss of 1,402 owner occupied households and gain 946 renter households for the decade (Table 8). Homeownership also declined in Richmond County, as owner households decreased by 1,158 while renter households increased by 4,162. According to Nielsen estimates, 2012 and 2017 rental rates in the Freedom's Path II Market Area are 54.6 percent and 58.0 percent, respectively.

Young working age households form the core of the market area's renters, as over half (45.2 percent) of renter householders are ages 25-44 (Table 9). The Freedom's Path II Market Area also has a notable proportion (31.8 percent) of older adult and senior renters (age 45 to 64 years).

Nearly two-thirds (65.4 percent) of all renter households in the Freedom's Path II Market Area contain one or two persons compared to 61.1 percent in Richmond County (Table 10). An additional 15.8 percent of Freedom's Path II Market Area renter households and 16.6 percent of Richmond County renter households contain three persons. Households with four or more persons account for 18.8 percent and 22.3 percent of renter households in the Freedom's Path II Market Area and Richmond County, respectively.

Table 6 2012 Age Distribution

	Richmond County		Freedom's Path II Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Children	52,118	25.9%	11,131	25.0%
Under 5 years	15,423	7.7%	3,455	7.8%
5-9 years	14,413	7.2%	3,199	7.2%
10-14 years	13,652	6.8%	2,852	6.4%
15-17 years	8,629	4.3%	1,625	3.7%
Young Adults	49,302	24.5%	10,165	22.9%
18-20 years	10,590	5.3%	1,926	4.3%
21-24 years	12,326	6.1%	2,468	5.6%
25-34 years	26,387	13.1%	5,771	13.0%
Adults	67,962	33.8%	14,665	33.0%
35-44 years	25,323	12.6%	5,671	12.8%
45-54 years	27,315	13.6%	5,430	12.2%
55-61 years	15,323	7.6%	3,564	8.0%
Seniors	31,539	15.7%	8,499	19.1%
62-64 years	6,567	3.3%	1,527	3.4%
65-74 years	13,537	6.7%	3,436	7.7%
75-84 years	8,189	4.1%	2,517	5.7%
85 and older	3,246	1.6%	1,018	2.3%
TOTAL	200,921	100.0%	44,459	100.0%
Median Age	33		35	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

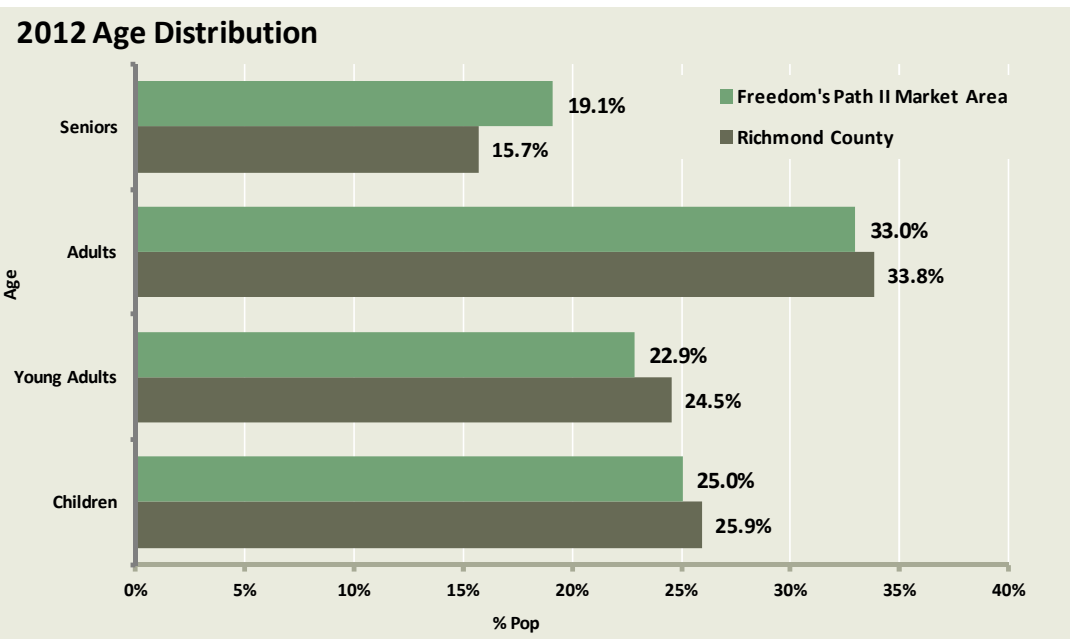


Table 7 2010 Households by Household Type

	Richmond County		Freedom's Path II Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Married w/ Child	11,808	15.4%	1,724	9.0%
Married w/o Child	16,136	21.0%	3,546	18.4%
Male hhldr w/ Child	2,288	3.0%	475	2.5%
Female hhldr w/ Child	12,008	15.6%	3,059	15.9%
Non Married Households w/o Children	12,064	15.7%	3,370	17.5%
Living Alone	22,620	29.4%	7,061	36.7%
Total	76,924	100.0%	19,235	100.0%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

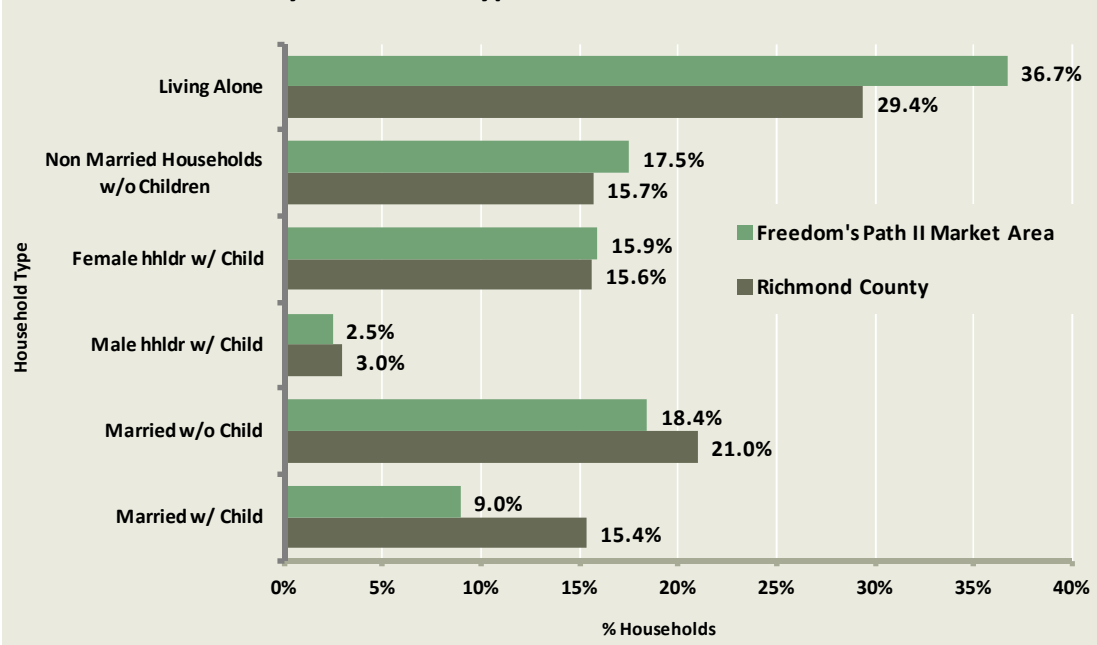
2010 Households by Household Type

Table 8 Households by Tenure

Richmond County	2000		2010		Change 2000-2010		2012		2017	
Housing Units	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	42,840	58.0%	41,682	54.2%	-1,158	-38.5%	41,271	53.4%	40,175	51.3%
Renter Occupied	31,080	42.0%	35,242	45.8%	4,162	138.5%	36,026	46.6%	38,064	48.7%
Total Occupied	73,920	100.0%	76,924	100.0%	3,004	100.0%	77,297	100.0%	78,239	100.0%
Total Vacant	8,392		9,407				9,595		10,083	
TOTAL UNITS	82,312		86,331				86,892		88,322	

Freedom's Path II Market Area	2000		2010		Change 2000-2010		2012		2017	
Housing Units	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	10,384	52.7%	8,982	46.7%	-1,402	-307.5%	8,629	45.4%	7,751	42.0%
Renter Occupied	9,307	47.3%	10,253	53.3%	946	207.5%	10,378	54.6%	10,697	58.0%
Total Occupied	19,691	100.0%	19,235	100.0%	-456	100.0%	19,007	100.0%	18,449	100.0%
Total Vacant	2,691		2,741				2,731		2,707	
TOTAL UNITS	22,382		21,976				21,738		21,156	

Source: U.S. Census of Population and Housing, 2000, 2010; RPRG

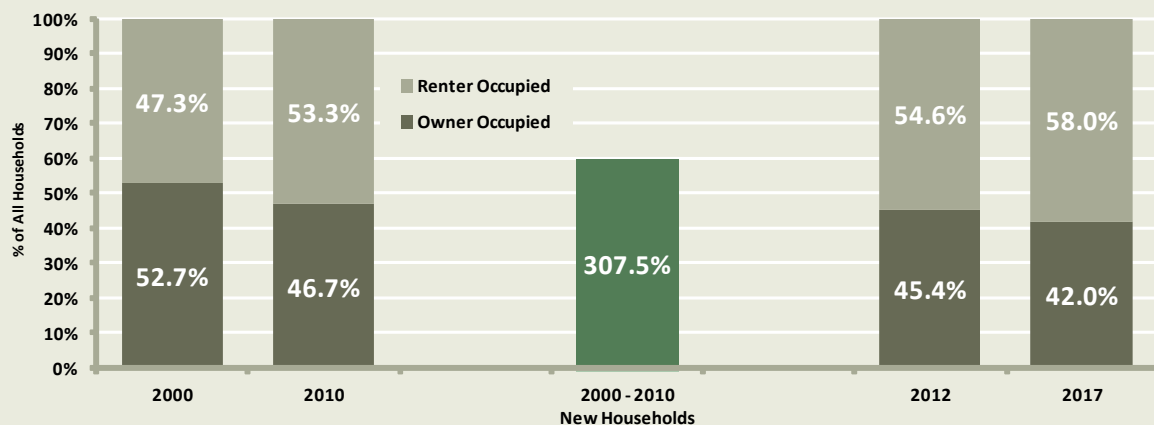
Freedom's Path II Market Area**Actual Rentership Rate in 2000 and 2010 and Projected Rentership Rate for 2012 and 2017**

Table 9 Households by Tenure and Age of Householder

Owner Households	Richmond County		Freedom's Path II Market	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	328	0.8%	56	0.6%
25-34 years	3,355	8.1%	602	7.0%
35-44 years	6,478	15.7%	1,211	14.0%
45-54 years	9,186	22.3%	1,480	17.2%
55-64 years	9,463	22.9%	1,906	22.1%
65-74 years	6,988	16.9%	1,662	19.3%
75 to 84 years	4,315	10.5%	1,284	14.9%
85+ years	1,157	2.8%	428	5.0%
Total	41,271	100%	8,629	100%

Renter Households	Richmond County		Freedom's Path II Market	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	3,848	10.7%	1,171	11.3%
25-34 years	9,614	26.7%	2,449	23.6%
35-44 years	7,629	21.2%	2,238	21.6%
45-54 years	6,362	17.7%	1,843	17.8%
55-64 years	4,489	12.5%	1,452	14.0%
65-74 years	2,372	6.6%	718	6.9%
75 to 84 years	1,185	3.3%	365	3.5%
85+ years	526	1.5%	141	1.4%
Total	36,026	100%	10,378	100%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

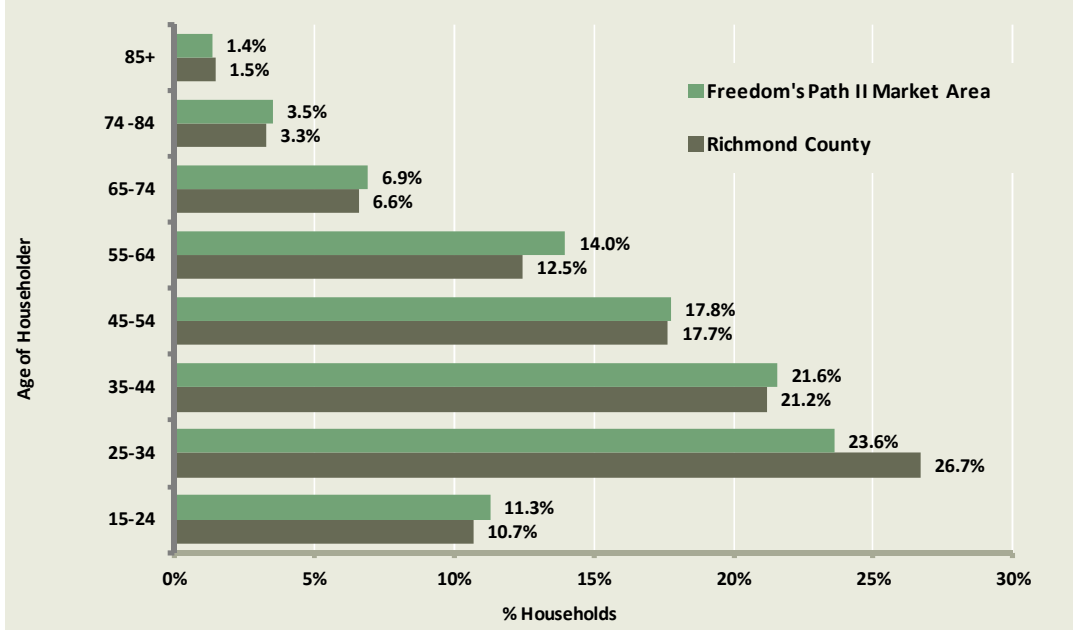
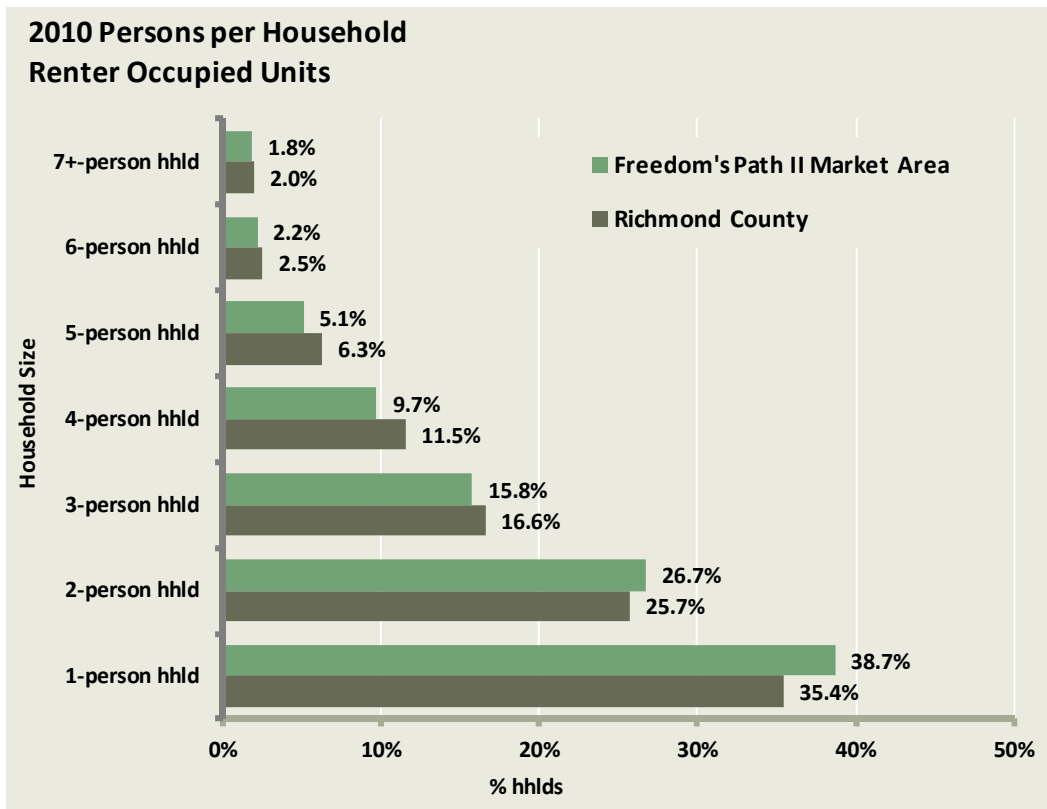
2012 Renter Households by Age of Householder

Table 10 2010 Renter Households by Household Size

	Richmond County		Freedom's Path II Market Area	
Renter Occupied	Number	Percent	Number	Percent
1-person household	12,485	35.4%	3,967	38.7%
2-person household	9,062	25.7%	2,742	26.7%
3-person household	5,837	16.6%	1,616	15.8%
4-person household	4,065	11.5%	998	9.7%
5-person household	2,214	6.3%	520	5.1%
6-person household	888	2.5%	221	2.2%
7+-person household	691	2.0%	189	1.8%
TOTAL	35,242	100.0%	10,253	100.0%

Source: 2010 Census





3. Income Characteristics

Based on Nielsen estimates, the Freedom's Path II Market Area's 2012 median income of \$31,062 is \$8,008 or 20.5 percent lower than the \$39,070 median in Richmond County (Table 11). Approximately one-quarter (24.6 percent) of households earn less than \$25,000 in the Freedom's Path II Market Area, compared to 18.5 percent of Richmond County households.

Based on the U.S. Census Bureau's American Community Survey (ACS) data and breakdown of tenure and household estimates, the 2012 median income for renter householders in the Freedom's Path II Market Area is \$23,021 (Table 12). Nearly one-third (32.0 percent) of renter householders in the Freedom's Path II Market Area have an income of less than \$25,000 per year and an additional 22.4 percent earn between \$15,000 and \$24,999. The estimated household income for owner householders is \$44,710, nearly twice as high as the renter household median income.

Table 11 2012 Household Income

		Richmond County		Freedom's Path II Market Area	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	14,331	18.5%	4,681	24.6%
	\$15,000 \$24,999	10,640	13.8%	3,269	17.2%
	\$25,000 \$34,999	10,068	13.0%	2,563	13.5%
	\$35,000 \$49,999	13,308	17.2%	2,824	14.9%
	\$50,000 \$74,999	13,973	18.1%	2,412	12.7%
	\$75,000 \$99,999	6,831	8.8%	1,200	6.3%
	\$100,000 \$124,999	3,676	4.8%	675	3.5%
	\$125,000 \$149,999	1,696	2.2%	332	1.7%
	\$150,000 \$199,999	1,154	1.5%	352	1.9%
	\$200,000 over	1,620	2.1%	699	3.7%
Total		77,297	100.0%	19,007	100.0%
Median Income		\$39,070		\$31,062	

Source: The Nielsen Company; 2006-2010 Amercian Community Survey; Estimates, Real Property Research Group, Inc.

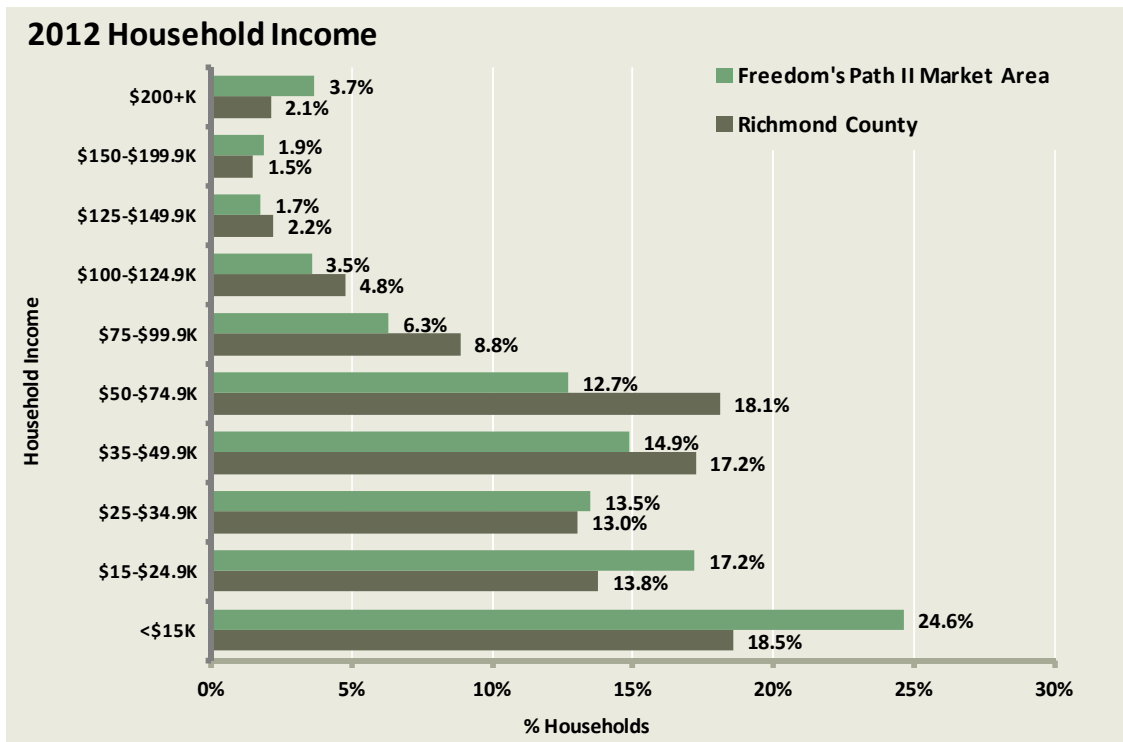
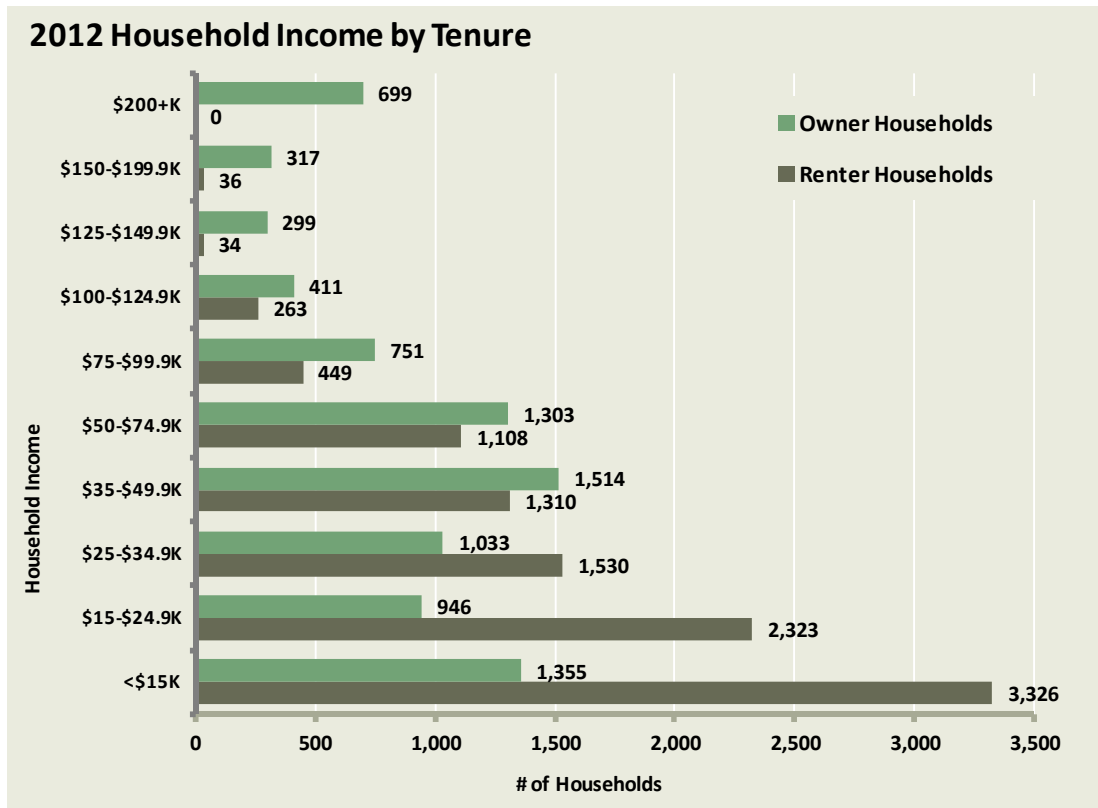


Table 12 2012 Household Income by Tenure

		Renter Households		Owner Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	3,326	32.0%	1,355	15.7%
	\$15,000 - \$24,999	2,323	22.4%	946	11.0%
	\$25,000 - \$34,999	1,530	14.7%	1,033	12.0%
	\$35,000 - \$49,999	1,310	12.6%	1,514	17.5%
	\$50,000 - \$74,999	1,108	10.7%	1,303	15.1%
	\$75,000 - \$99,999	449	4.3%	751	8.7%
	\$100,000 - \$124,999	263	2.5%	411	4.8%
	\$125,000 - \$149,999	34	0.3%	299	3.5%
	\$150,000 - \$199,999	36	0.3%	317	3.7%
	\$200,000 over	0	0.0%	699	8.1%
Total		10,378	100.0%	8,629	100.0%
Median Income		\$23,021		\$44,710	

Source: The Nielsen Company; US Census Bureau, 2006-2010 American Community Survey;
Estimates, Real Property Research Group, Inc.



6. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Richmond County, the jurisdiction in which Freedom's Path II is located. For purposes of comparison, economic trends in the State of Georgia and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Richmond County's labor force increased during seven of eight years between 2000 and 2009 from 87,572 people to 91,778 people. The labor force has decreased each of the past four years to 86,711 people through the first quarter of 2012 (Table 13).

2. Trends in County Unemployment Rate

Richmond County's unemployment rate has increased steadily since 2000 with ranges of 4.3 percent to 5.8 percent from 2000-2004 and 6.2 percent to 7.2 percent from 2005-2008. The unemployment rate in Richmond County increased significantly in 2009 to 10.0 percent. The county's unemployment rate peaked at 10.8 percent in 2010 before receding slightly in 2011 and through the first quarter of 2012.

C. Commutation Patterns

According to 2006-2010 American Community Survey (ACS) data, 43.6 percent of the workers residing in the Freedom's Path II Market Area spent 15 to 29 minutes commuting to work (Table 14). Another 36.3 percent of workers spent less than 15 minutes commuting while 18.3 percent of market area workers commuted 30 minutes or more.

Over three-quarters (78.3 percent) of workers residing in the Freedom's Path II Market Area worked in the county in which they reside while 11.6 percent worked in another Georgia county. Approximately ten percent of Freedom's Path II Market Area workers were employed outside the state.

Table 13 Labor Force and Unemployment Rates**Annual Unemployment Rates - Not Seasonally Adjusted**

Annual Unemployment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 Q1
Labor Force	87,572	86,936	88,132	88,613	90,231	90,352	88,989	90,857	91,778	90,440	87,505	87,830	86,771
Employment	83,766	82,768	83,400	83,839	84,974	84,304	83,371	85,179	85,162	81,394	78,036	78,540	77,908
Unemployment	3,806	4,168	4,732	4,774	5,257	6,048	5,618	5,678	6,616	9,046	9,469	9,290	8,863
Unemployment Rate													
Richmond County	4.3%	4.8%	5.4%	5.4%	5.8%	6.7%	6.3%	6.2%	7.2%	10.0%	10.8%	10.6%	10.2%
Georgia	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.6%	6.3%	9.8%	10.2%	9.8%	9.2%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.6%

Source: U.S. Department of Labor, Bureau of Labor Statistics

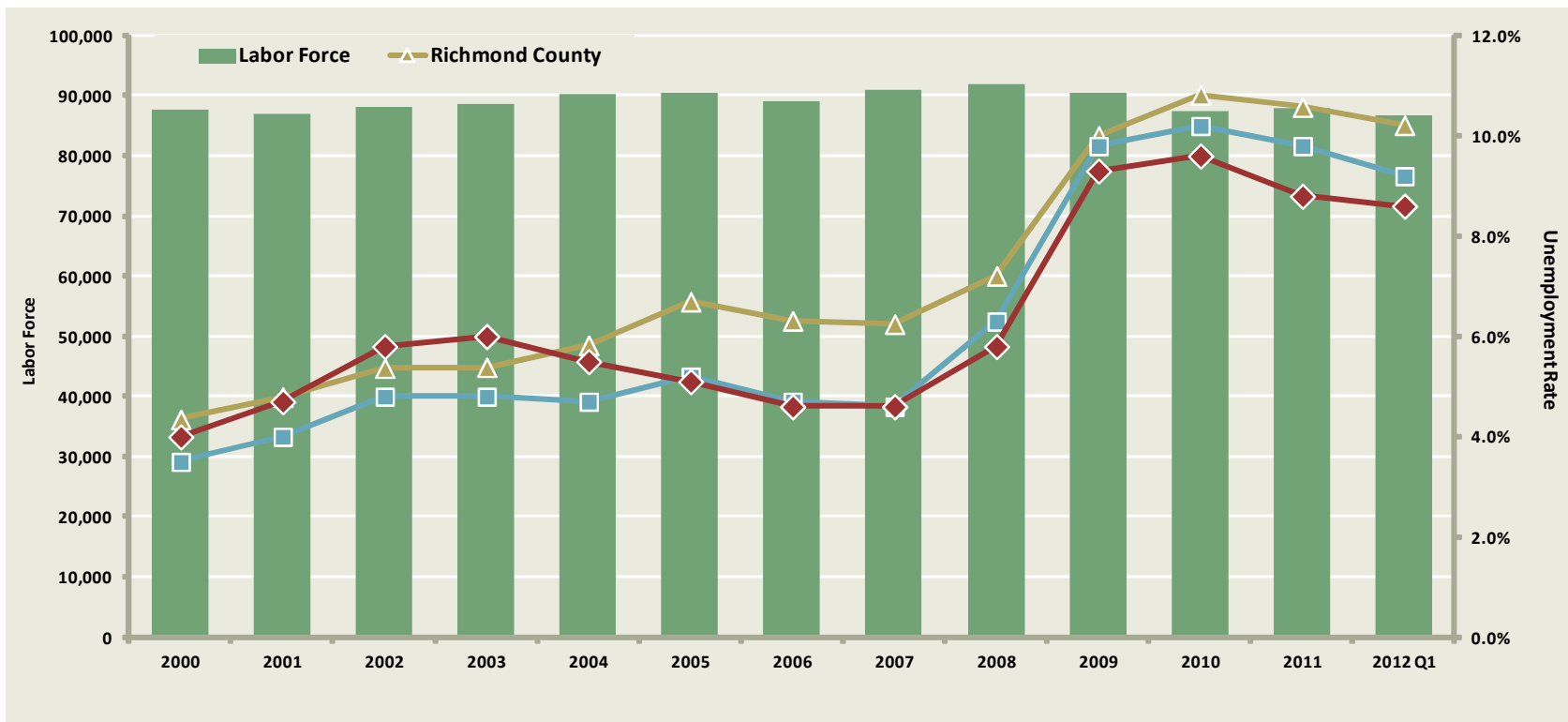


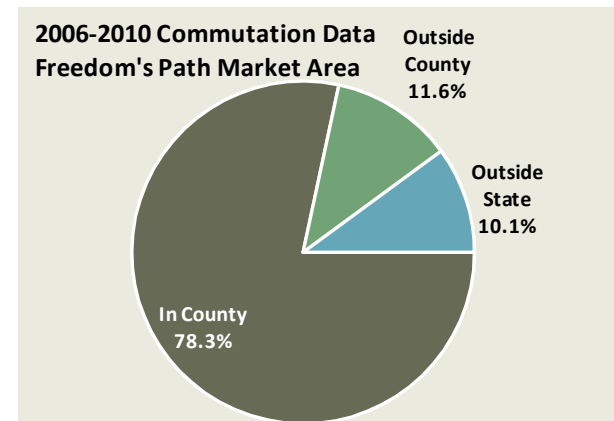
Table 14 Commutation Data

Travel Time to Work		
Workers 16 years and over	Number	Percent
Did not work at home:	17,189	98.2%
Less than 5 minutes	304	1.7%
5 to 9 minutes	2,163	12.4%
10 to 14 minutes	3,890	22.2%
15 to 19 minutes	4,504	25.7%
20 to 24 minutes	2,517	14.4%
25 to 29 minutes	606	3.5%
30 to 34 minutes	1,789	10.2%
35 to 39 minutes	55	0.3%
40 to 44 minutes	265	1.5%
45 to 59 minutes	639	3.7%
60 to 89 minutes	310	1.8%
90 or more minutes	147	0.8%
Worked at home	311	1.8%
Total	17,500	
Commute: Less than 15 min.		36.3%
Commute: 15-29 min.		43.6%
Commute: 30 min. or more		18.3%

Source: American Community Survey, 2006-2010.

Place of Work		
Workers 16 years and over	Number	Percent
Worked in state of residence:	15,737	89.9%
Worked in county of residence	13,711	78.3%
Worked outside county of residence	2,026	11.6%
Worked outside state of residence	1,763	10.1%
Total	17,500	100.0%

Source: American Community Survey, 2006-2010.



D. At-Place Employment

1. Trends in Total At-Place Employment

Richmond County's At-Place Employment has decreased significantly since 2000 with net losses in eight of 11 years between 2000 and 2010 (Figure 4). The net loss in At Place Employment during this period was 9,368 jobs or 8.8 percent. At Place Employment increased slightly through the first three quarters of 2011 with a net gain of 540 jobs.

2. At-Place Employment by Industry Sector

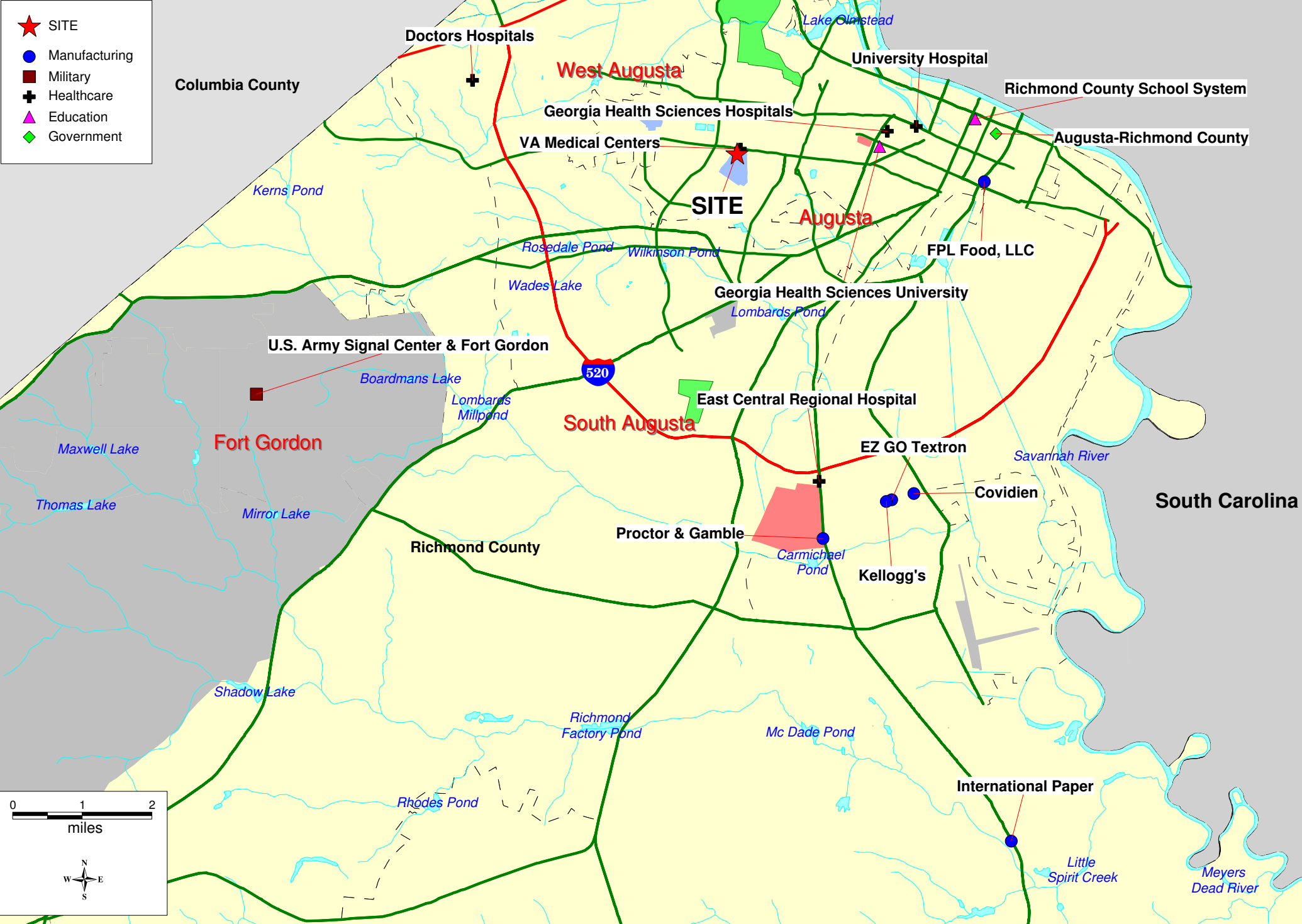
The government sector accounts for 25.7 percent of the jobs in Richmond County. By comparison, government accounts for only 16.4 percent of jobs nationally (Figure 5). The next largest sectors in Richmond County are education-health and trade-transportation-utilities with 17.9 percent and 14.2 percent of the county's job base, respectively. Compared to the national percentages, Richmond County has a lower percentage in all sectors other than government and education-health.

Between 2001 and the third quarter of 2011, six of eleven industry sectors lost jobs in Richmond County (Figure 6). The two largest sectors both added jobs with annualized increased of 0.4 percent among government jobs and 1.3 percent among education-health jobs. The largest percentage decreases were 4.6 percent among manufacturing and 3.4 percent among information; however, these sectors combine for less than 10 percent of total jobs in the county.

We gain further insight into Richmond County's economy by isolating sector growth/decline over the past five years as a result of the recent economic downturn (2007 to 2011 Q3). During this period, seven of 11 employment sectors reported a net loss in jobs. Although only four sectors added jobs since 2007, these four sectors account for 55.8 percent of the jobs in the county.

3. Major Employers

The largest employer in Richmond County is the U.S. Army base Fort Gordon, which employs nearly 20,000 people – more than four times larger than the second largest employer. Seven of the top ten major employers are part of the education-health sector (Table 15). Richmond County's major employers are generally located within 10 miles of Augusta and the subject site (Map 4).



Map 4
Major Employers
Augusta, GA

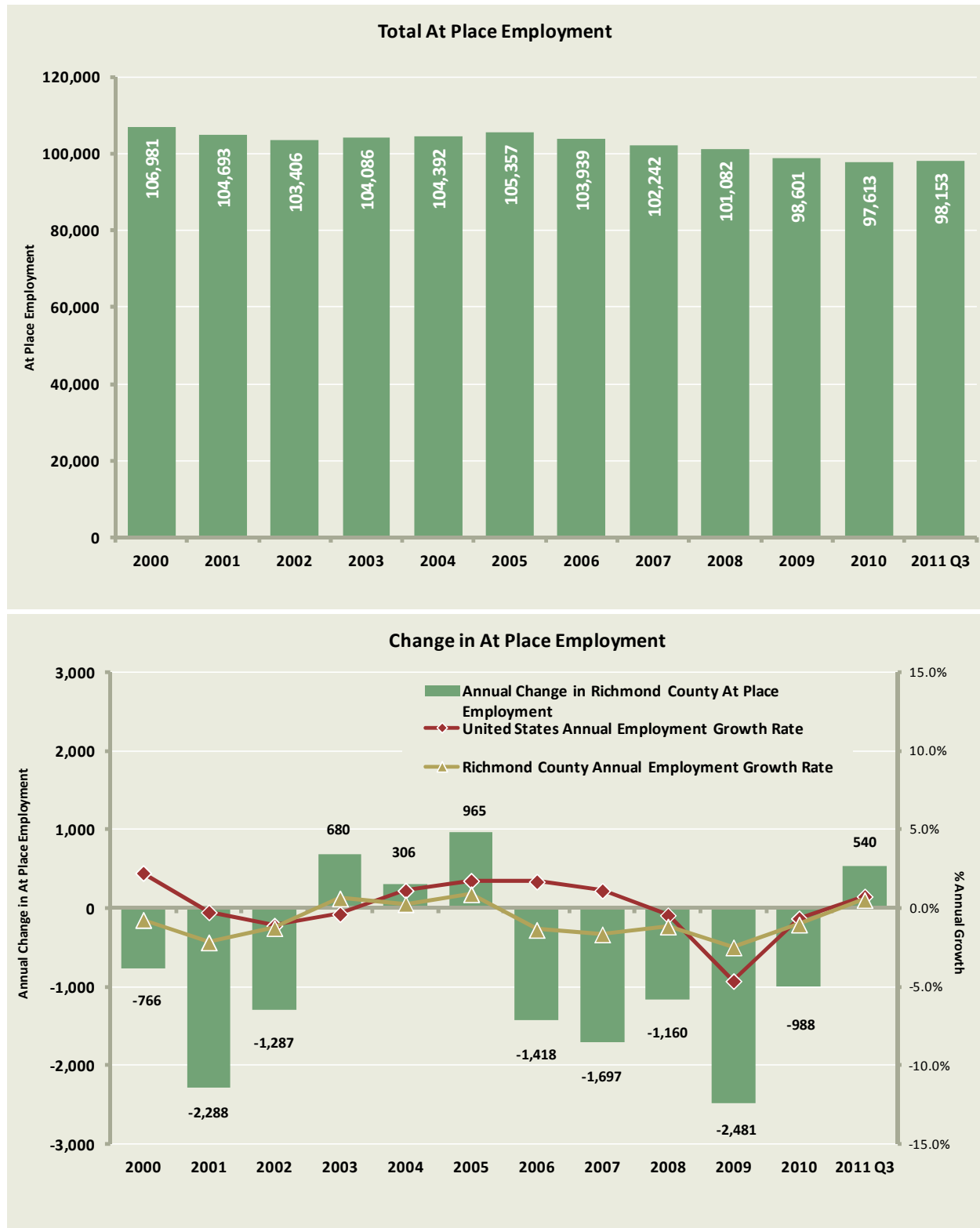
Figure 4 At-Place Employment, Richmond County

Figure 5 Total Employment and Employment Change by Sector 2001 to 2011 Q3

Employment by Industry Sector - 2011 (Q3)	
Sector	Jobs
Government	25,205
Federal	7,360
State	9,882
Local	7,963
Private Sector	72,832
Goods-Producing	11,616
Natural Resources-Mining	305
Construction	3,938
Manufacturing	7,374
Service Providing	61,216
Trade-Trans-Utilities	13,919
Information	1,676
Financial Activities	3,105
Professional-Business	11,682
Education-Health	17,585
Leisure-Hospitality	10,750
Other	2,498
Unclassified	116
Total Employment	98,153

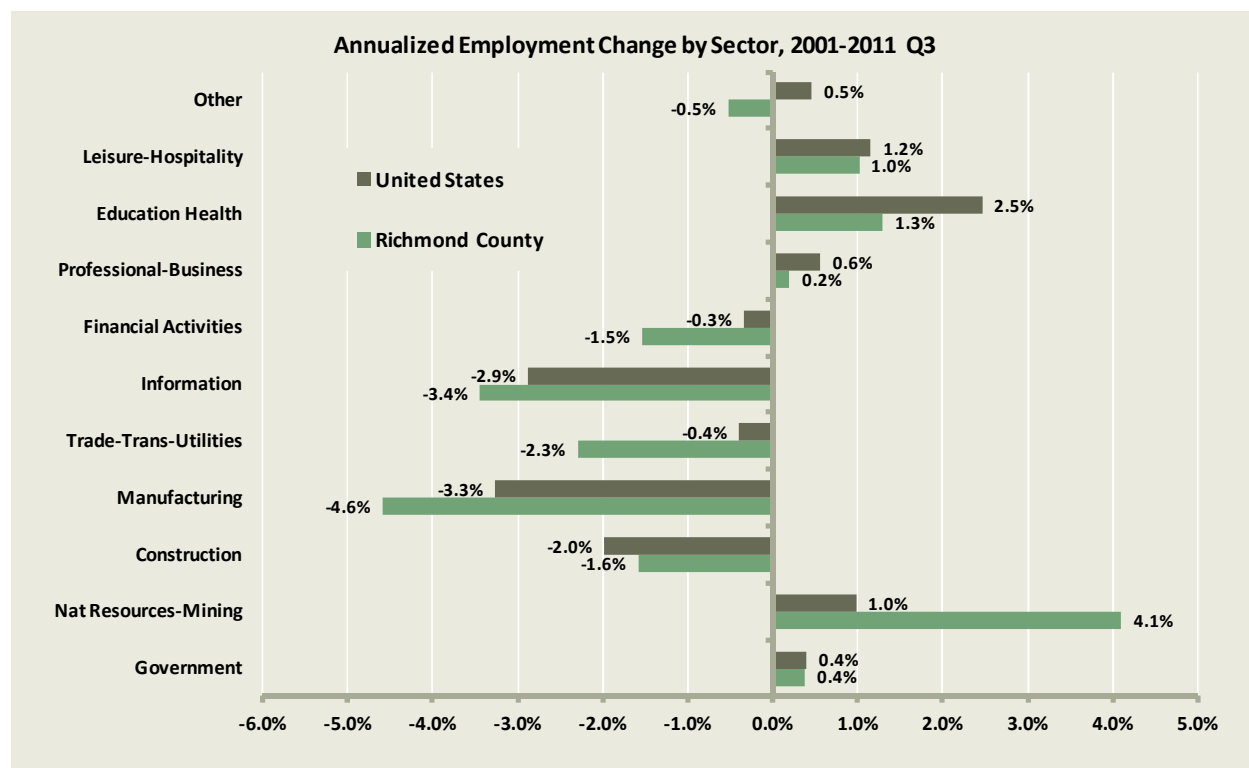
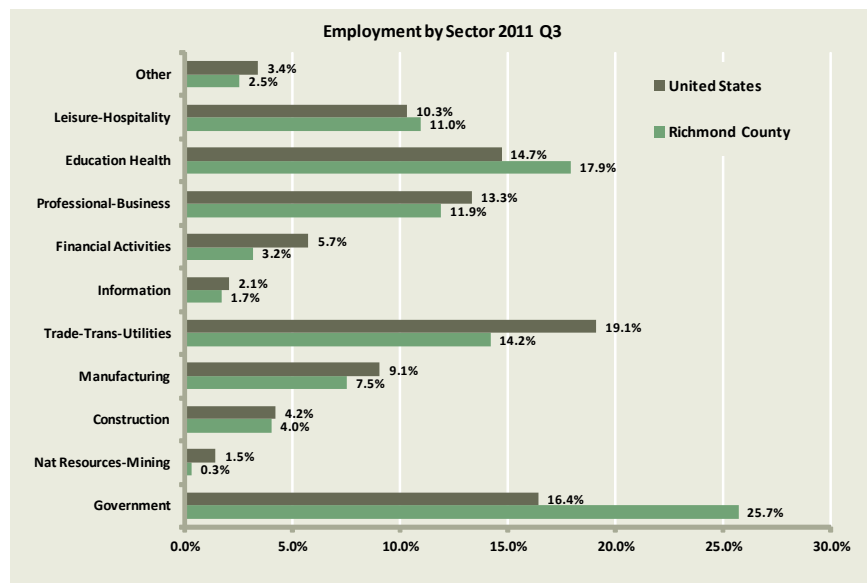
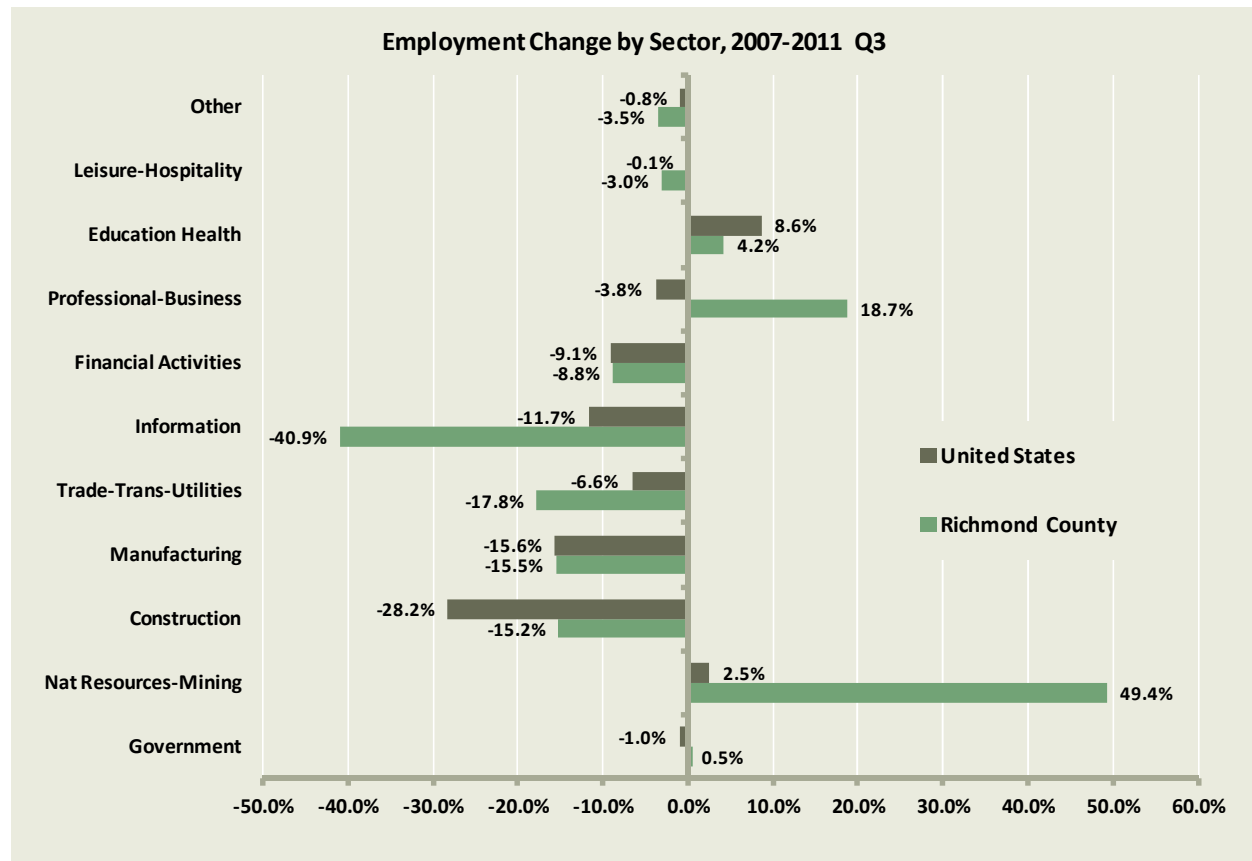


Figure 6 Total Employment and Employment Change by Sector 2007 to 2011 Q3**Table 15 Major Employers, Richmond County**

Rank	Name	Industry	Employment
1	U.S. Army Signal Center & Fort Gordon	Military	19,844
2	Georgia Health Sciences University	Education	4,656
3	Richmond County School System	Education	4,418
4	University Hospital	Healthcare	3,200
5	Georgia Health Sciences Hospitals	Healthcare	3,054
6	Augusta-Richmond County	Government	2,612
7	VA Medical Centers	Healthcare	2,082
8	East Central Regional Hospital	Healthcare	1,488
9	EZ GO Textron	Manufacturing	1,277
10	Doctors Hospitals	Healthcare	1,210
11	Covidien	Manufacturing	850
12	International Paper	Manufacturing	820
13	Kellogg's	Manufacturing	535
14	FPL Food, LLC	Manufacturing	500
15	Proctor & Gamble	Manufacturing	450

Source: Augusta Economic Development Authority

4. Wages

The average annual wage in 2010 for Richmond County was \$39,450, which is \$4,449 or 10.1 percent below the \$43,899 average in the State of Georgia (Table 16). Richmond County's average annual wage in 2010 represents an increase of \$10,019 or 34 percent since 2001.

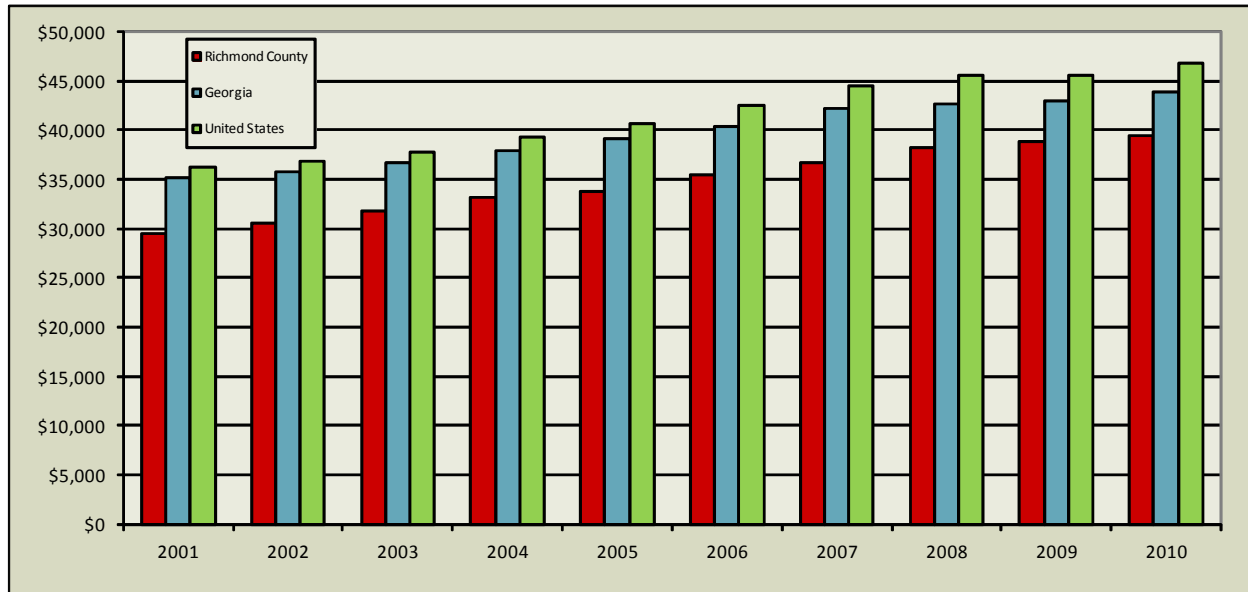
In 2010, the average wage in Richmond County was below the national average for most sectors although higher among jobs in the education-health and natural resources-mining sectors. The highest paying sectors in the county were natural resources-mining and manufacturing.

5. Recent Economic Expansions and Contractions

From 2011 to 2012 (Q1), three companies expanded or relocated to Richmond County, creating an estimated 1,240 new jobs (Table 17). This was partially offset by the loss of 672 jobs in the county since 2010, as six companies experienced layoffs or closures during this period. The single largest employment expansion occurred at Fort Gordon with the addition of 1,000 new jobs. Among layoffs and closures, the most notable was Teleperformance with the loss of 248 jobs. It is important to note, recent employment expansions and contractions listed are based on information currently available and may not include all businesses experiencing changes in employment during this period.

Table 16 Average Annual Pay and Annualized Wage Data by Sector, Richmond County

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Richmond County	\$29,431	\$30,587	\$31,831	\$33,116	\$33,838	\$35,382	\$36,685	\$38,199	\$38,779	\$39,450
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902	\$43,899
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,559	\$46,742



Source: Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

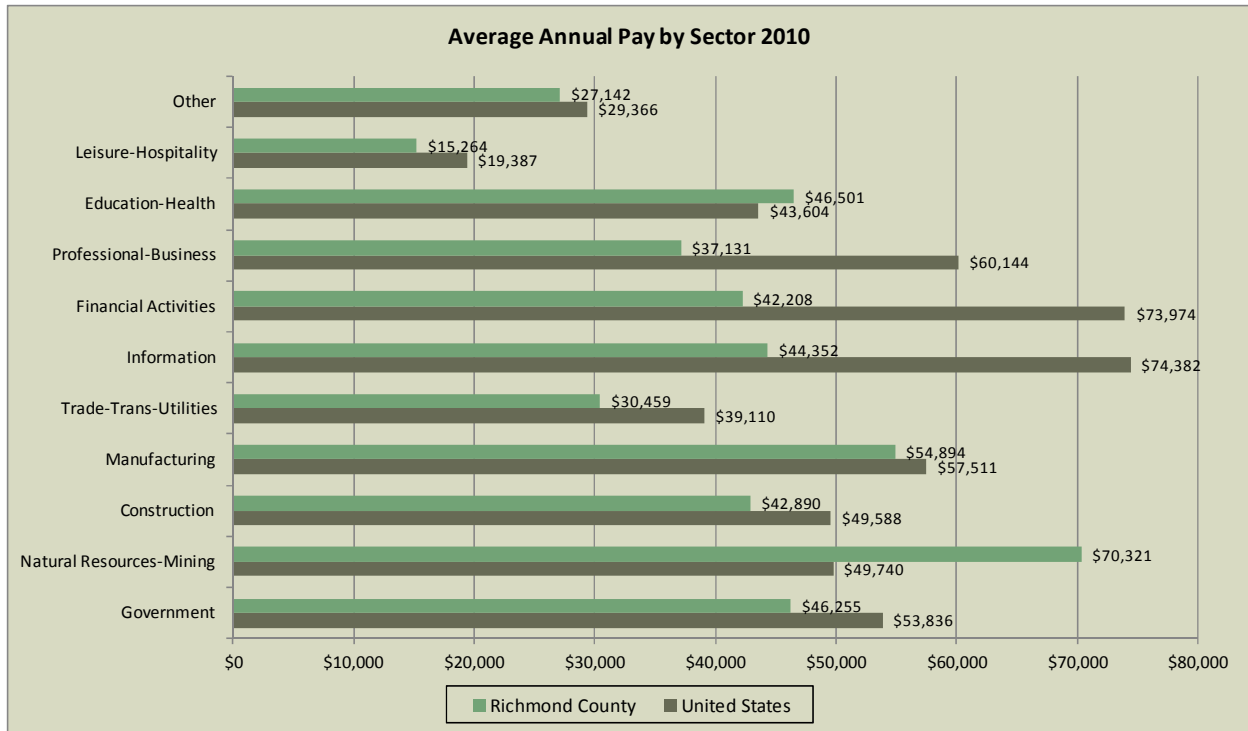


Table 17 Announced Layoffs/Closures and Expansions, Richmond County, 2010-2012 (Q1)

Business Closures/Layoffs - 2010 to 2012 (Q1)			
Year	Company	City	Employees Affected
2010	FPL Food LLC	Augusta	185
2010	Electrolux N. America (Non-Warn)	Augusta	47
2011	IAP World Services	Fort Gordon	113
2011	Boral Bricks Inc.	Augusta	69
2011	Teleperformance	Augusta	248
2012	Northrop Grumman	Fort Gordon	10
Total			672

Source: Georgia Department of Labor - Business Layoff/Closure Listing

Business Expansions - 2011 to 2012 (Q1)			
Year Announced	Company	City	Employees Affected
2011	FPL Food LLC	Augusta	100
2012	National Security Agency	Fort Gordon	1,000
2012	Starbucks	Augusta	140
Total			1,240

Source: Media Reports

7. PROJECT SPECIFIC AFFORDABILITY / DEMAND ANALYSIS

A. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percent of income-qualified households in the market area that the subject community must capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at the total household income distribution and renter household income distribution among Freedom's Path II Market Area households for the target year of 2014. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2006-2010 American Community Survey along with estimates and income growth as projected by Nielsen (Table 19).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For this analysis, RPRG employs a 35 percent gross rent burden.

Freedom's Path II will target renter households earning up to 50 percent and 60 percent of the Area Median Gross Income (AMGI), adjusted for household size. The subject site is located in the Augusta-Richmond County MSA for which HUD has computed a 2012 median household income of \$57,900. Maximum income limits are based on average household sizes of 1.5 persons per bedroom rounded up to the nearest whole number in accordance with DCA requirements. As such, the maximum income limit for efficiency units is based on 1.0 persons. The maximum tax credit rents, however, are based on the federal regulation of 1.5 persons per household. Maximum and minimum income requirements are detailed in Table 18 below.

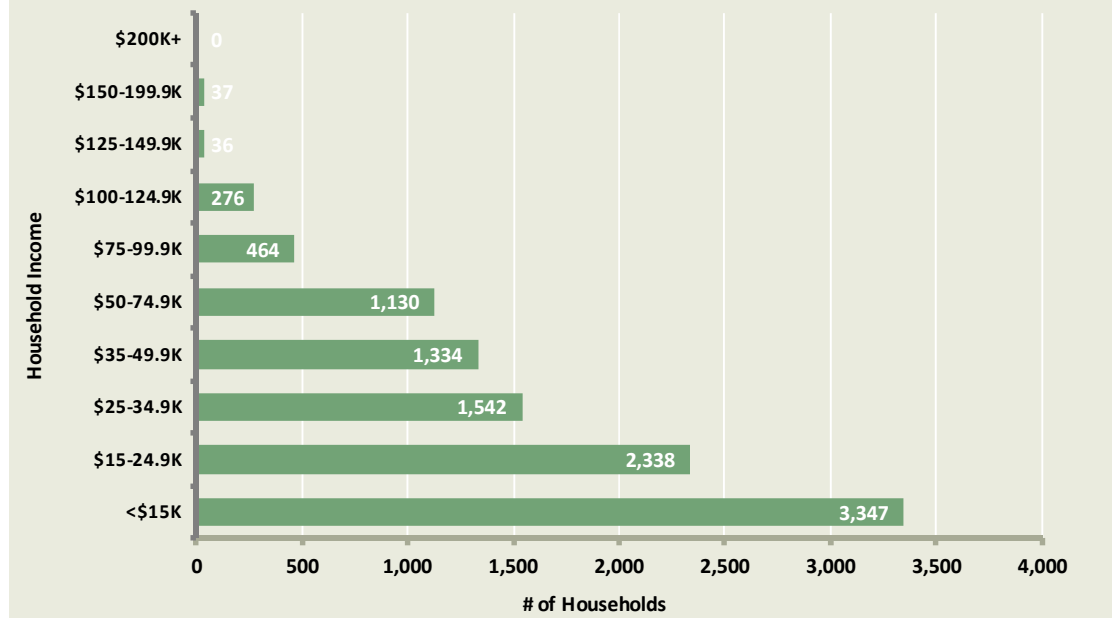
Table 18 Project Specific LIHTC Rent Limits, Augusta-Richmond County MSA

Unit Type	AMI	Units	Bed	Net Rent	Utility Allowance	Gross Rent	Max. Gross Rent	Max. Income	Min. Income
LIHTC	50%	5	0	\$507	\$0	\$507	\$507	\$20,300	\$17,383
LIHTC	60%	23	0	\$542	\$0	\$542	\$609	\$24,360	\$18,583
Total		28							

Table 19 2014 Income Distribution, Freedom's Path II Market Area

		Total Households		Renter Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	4,575	24.4%	3,347	31.9%
	\$15,000	3,196	17.0%	2,338	22.3%
	\$25,000	2,508	13.4%	1,542	14.7%
	\$35,000	2,792	14.9%	1,334	12.7%
	\$50,000	2,387	12.7%	1,130	10.8%
	\$75,000	1,206	6.4%	464	4.4%
	\$100,000	686	3.7%	276	2.6%
	\$125,000	349	1.9%	36	0.3%
	\$150,000	358	1.9%	37	0.4%
	\$200,000 over	725	3.9%	0	0.0%
Total		18,782	100.0%	10,505	100.0%
Median Income		\$31,460		\$23,147	

Source: 2006-2010 ACS, Projections Real Property Research Group, Inc.

2014 Renter Household Income

2. Affordability Analysis

The steps in the affordability analysis (Table 20) are as follows:

- Looking at the 50 percent efficiency units, the overall shelter cost at the proposed rent would be \$507 (includes the cost of all utilities).
- By applying a 35 percent rent burden to this gross rent, we determined that a 50 percent efficiency unit would be affordable to households earning at least \$17,383 per year. The projected number of Freedom's Path II Market Area households earning at least this amount in 2014 is 13,445.
- Based on an average household size of 1.0 person for efficiency units, the maximum income limit for an efficiency unit at 50 percent of the AMGI is \$20,300. According to the interpolated income distribution for 2014, there will be 12,513 households in the Freedom's Path II Market Area with incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 12,513 households with incomes above the maximum income limit from the 13,445 households that could afford to rent this unit, RPRG computes that there are an estimated 932 households in the Freedom's Path II Market Area within the band of affordability for the subject site's 50 percent efficiency units.
- The subject property would need to capture 0.5 percent of these income-qualified households to absorb the five 50 percent efficiency units.
- RPRG next tested the range of qualified households that are currently renters and determined that 6,600 renter households can afford to rent a unit at the subject property. Of these, 5,918 have incomes above our maximum income of \$20,300. The net result is that 682 renter households are qualified within our income band. To absorb the five 50 percent efficiency units, the subject property would need to capture 0.7 percent of income-qualified renter households.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered in the community. We also computed the capture rates for all units.
- By AMI level, capture rates are 0.7 percent for 50 percent units and 1.7 percent for 60 percent units. The capture rate for the entire project would be 1.3 percent of income qualified households and 1.7 percent of income qualified renter households.

Table 20 Freedom's Path II Affordability Analysis

Efficiency Units			
50% Units		Minimum	Maximum
	Number of Units	5	
	Net Rent	\$507	
	Gross Rent	\$507	
	% Income Spent for Shelter	35%	
	Income Range	\$17,383	\$20,300
	Range of Qualified Hslds	13,445	12,513
	# Qualified Households		932
	Unit Total HH Capture Rate		0.5%
	Range of Qualified Renters	6,600	5,918
60% Units	# Qualified Renter Households		682
	Unit Renter HH Capture Rate		0.7%
60% Units		Minimum	Maximum
	Number of Units	23	
	Net Rent	\$542	
	Gross Rent	\$542	
	% Income Spent for Shelter	35%	
	Income Range	\$18,583	\$24,360
	Range of Qualified Hslds	13,062	11,215
	# Qualified Households		1,846
	Unit Total HH Capture Rate		1.2%
	Range of Qualified Renters	6,320	4,969
	# Qualified Renter Households		1,351
	Unit Renter HH Capture Rate		1.7%

	# of Units	All Households =18,782				
			Band of Qualified Hhlds	# Qualified HHs	Capture Rate	
50% Units	5	Income HHs	\$17,383 13,445	\$20,300 12,513	932	0.5%
60% Units	23	Income HHs	\$18,583 13,062	\$24,360 11,215	1,846	1.2%
Total Units	28	Income HHs	\$17,383 13,445	\$24,360 11,215	2,230	1.3%

Renter Households =10,505				
	Band of Qualified Hhlds	# Qualified HHs	Capture Rate	
Income	\$17,383	\$20,300	682	0.7%
Renter HHs	6,600	5,918		
Income	\$18,583	\$24,360	1,351	1.7%
Renter HHs	6,320	4,969		
Income	\$17,383	\$24,360	1,632	1.7%
Renter HHs	6,600	4,969		

Source: Estimates, Real Property Research Group, Inc.

3. Conclusions on Affordability

All affordability capture rates are well within reasonable and achievable levels for an affordable housing community. It is important to note, affordability capture rates are based solely on existing age and income qualified renter households and do not take into account additional sources of demand.

B. DCA Demand

1. Demand Methodology

Although the proposed development will be targeted to a special needs population of Homeless Veterans, no specific DCA methodology exists for special needs projects. As a result, demand and capture rates are based on the methodology for general occupancy communities in this section with supplement data on the special needs demand in the next section of the report. The Georgia Department of Community Affairs' demand methodology for general occupancy LIHTC communities consists of three components:

- The first component of demand is household growth. This number is the number of income qualified renter households anticipated to move into the Freedom's Path II Market Area between the base year (2010) and the projected placed-in-service year (2014).
- The second component is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2006-2010 American Community Survey (ACS) data, the percentage of renter occupied households in the Freedom's Path II Market Area that are "substandard" is 2.5 percent (Table 21).
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to Census data, 46.4 percent of Freedom's Path II Market Area renter households are categorized as cost burdened.

Demand from the Freedom's Path II Market Area is increased by 15 percent to account for secondary market area demand. This estimate is based on the special needs target market of the subject property and its potential to attract tenants from throughout the region. Given the proposed product type, this estimate of secondary demand is appropriate for Freedom's Path II.

Table 21 Rent Cost-Burdened Households and Substandard Housing

Rent Cost Burden			Substandardness	
Total Households			Total Households	
Less than 10.0 percent	265	2.9%	Owner occupied:	
10.0 to 14.9 percent	771	8.3%	Complete plumbing facilities:	9,376
15.0 to 19.9 percent	953	10.3%	1.00 or less occupants per room	9,312
20.0 to 24.9 percent	1,046	11.3%	1.01 or more occupants per room	64
25.0 to 29.9 percent	823	8.9%	Lacking complete plumbing facilities:	58
30.0 to 34.9 percent	729	7.8%	Overcrowded or lacking plumbing	122
35.0 to 39.9 percent	457	4.9%	Renter occupied:	
40.0 to 49.9 percent	714	7.7%	Complete plumbing facilities:	9,252
50.0 percent or more	2,798	30.1%	1.00 or less occupants per room	9,056
Not computed	732	7.9%	1.01 or more occupants per room	196
Total	9,288	100.0%	Lacking complete plumbing facilities:	36
			Overcrowded or lacking plumbing	232
> 35% income on rent	3,969	46.4%	Substandard Housing	354
			% Total Stock Substandard	1.9%
			% Rental Stock Substandard	2.5%

Source: 2000 U.S. Census, American Community Survey 2006-2010

2. Demand Analysis

According to DCA's demand methodology, all comparable units built or approved between the base year (2010) and the projected placed-in-service year (2014) are to be subtracted from the demand estimates to arrive at a net demand. No such rental communities were identified in the Freedom's Path II Market Area.

The overall demand capture rates by AMI level are 1.4 percent for 50 percent units, 3.2 percent for 60 percent units, and 3.2 percent for the project as a whole (Table 22).

3. Demand Conclusions

Overall, all DCA demand estimates are well below acceptable DCA thresholds (30 percent) and are reasonable and achievable for Freedom's Path II. The overall capture rates indicate sufficient demand to support the proposed development as an affordable housing rental community.

Table 22 DCA Demand Estimates by Income Level/Floor Plan

	Income Target	50% Units	60% Units	Project Total
	Minimum Income Limit	\$17,383	\$18,583	\$17,383
	Maximum Income Limit	\$20,300	\$24,360	\$24,360
(A) Renter Income Qualification Percentage		6.5%	12.9%	15.5%
Demand from New Renter Households - <i>Calculation (C-B) * F * A</i>		-16	-32	-38
PLUS				
Demand from Existing Renter HHs (Substandard) - <i>Calculation B * D * F * A</i>		17	34	41
PLUS				
Demand from Existing Renter HHs (Overburdened) - <i>Calculation B * E * F * A</i>		316	627	757
PLUS				
Secondary Market Demand Adjustment (15%)*		48	94	114
TOTAL DEMAND		365	723	873
LESS				
Comparable Units Built or Planned Since 2010		0	0	0
Net Demand		365	723	873
Proposed Units		5	23	28
Capture Rate		1.4%	3.2%	3.2%

* Limited to 15% of Total Demand

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2010 Households	19,235
C). 2014 Households	18,782
D). Substandard Housing (% of Rental Stock)	2.5%
E). Rent Overburdened (% of Renter HHlds at >35%)	46.4%
F). Renter Percentage (% of all 2012 HHlds)	54.6%

C. Veterans Data and Special Needs Demand

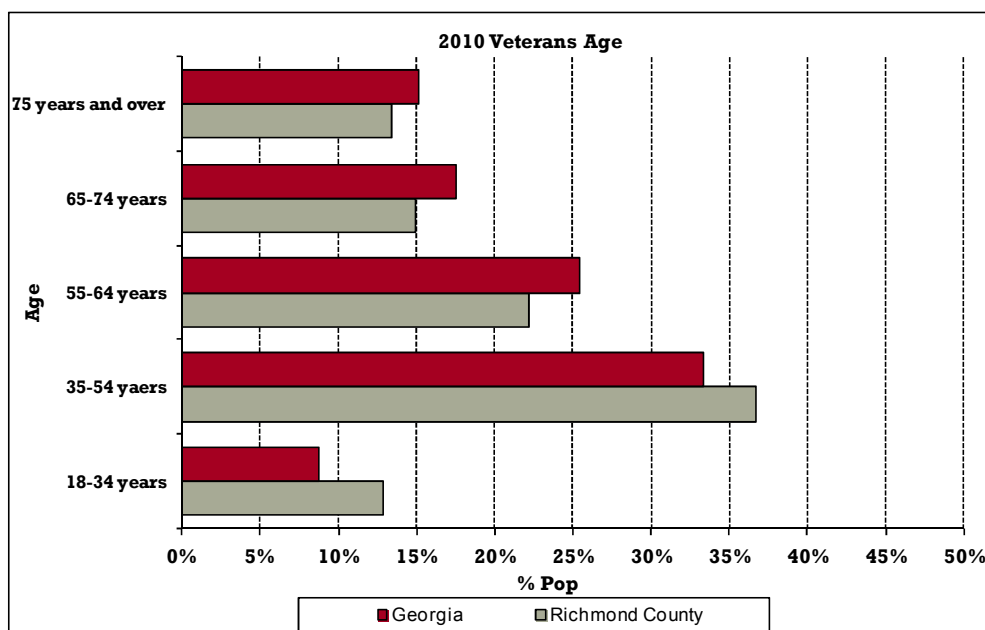
Although a primary market area has been defined for the subject property and used throughout this report, the proposed special needs targeted units at Freedom's Path II will serve homeless veterans from throughout the county and region. As such, homeless statistics and demand is based on Richmond County.

According to the U.S. Census Bureau's 2008 to 2010 American Community Survey (ACS) three-year estimates, 20,177 veterans reside in Richmond County, which equates to 2.9 percent of Georgia's veteran's (Table 23). Over half of the veterans in Richmond County (58.9 percent) are ages 35-64, compared to 58.7 percent in the state. More than one-quarter of veterans in both the county and state are age 65 and older.

Table 23 Veterans by Age, Richmond County and Georgia

2010 Veterans Age				
	Richmond County		Georgia	
	Number	Percent	Number	Percent
18-34 years	2,603	12.9%	61,735	8.8%
35-54 yaers	7,405	36.7%	233,609	33.3%
55-64 years	4,479	22.2%	178,189	25.4%
65-74 years	3,006	14.9%	122,768	17.5%
75 years and over	2,704	13.4%	105,931	15.1%
TOTAL Veterans	20,177	100%	701,530	100%

Source: U.S. Census Bureau



According to ACS data, the median income of veterans in Richmond County in 2010 was \$36,524, which was \$722 or 1.9 percent below the Georgia median of \$37,246 among veterans (Table 24). By

comparison, the 2010 Census showed an overall median income of \$39,070 for all households in Richmond County. Overall, the median income among veterans is 6.5 percent lower than the overall median.

Table 24 Median Income among Veterans, Richmond County and Georgia

2010 Veteran Median Income	Richmond County	Georgia
	\$	\$
Civilian population 18 years and over with income	\$36,524	\$37,246
Male	\$37,640	\$38,003
Female	\$29,219	\$31,104

Source: U.S. Census Bureau

The American Community Survey also indicates that the 2010 unemployment rate among veterans was 7.5 percent in Richmond County and 8.1 percent in Georgia (Table 25). The percentage of veteran's unemployed in 2010 was lower than the county (10.8 percent) and statewide (10.2 percent) figures for total labor force. Among veterans in Richmond County, 1,981 veterans or 9.9 percent lived below the poverty line in 2010, compared to 6.9 percent of veterans in Georgia (Table 26).

Table 25 Veteran Employment Status, Richmond County and Georgia

2010 Veteran Employment Status	Richmond County		Georgia	
	#	%	#	%
Civilian Labor Force 18-64 years	11,326		367,778	
Employment	10,477	92.5%	337,988	91.9%
Unemployment	849	7.5%	29,790	8.1%

Source: U.S. Census Bureau

Table 26 Veteran Poverty Status, Richmond County and Georgia

2010 Veteran Poverty Status	Richmond County		Georgia	
	#	%	#	%
Civilian population 18 years and over	19,704		691,114	
Below Poverty in the last 12 months	1,951	9.9%	47,687	6.9%

Source: U.S. Census Bureau

The National Coalition for Homeless Veterans describes the U.S. Department of Veterans Affairs' Project CHALENG report as the "most regular and reliable account of homeless veterans and their needs as cited by homeless veterans and service providers alike". According to the 2008 CHALENG Survey Results, which provide estimates of need by region (2008), the Augusta-Richmond County region had 108 homeless veterans as of 2008. Based on housing availability and need, the Augusta-Richmond County service area was in need of 38 emergency beds, 175 transitional housing beds, and 50 permanent housing beds (Table 27). While dated, these estimates provide the best indication of demand for homeless veterans in the Augusta-Richmond County Region. Though newer aggregate data on homeless veterans is available as of 2010, this data is no longer segmented by local area and/or region. Overall, the proposed development of the 70 units at Freedom's Path II will satisfy the housing demand for this special needs population.

Table 27 Homeless Veterans and Housing Needs, Augusta-Richmond County

Estimated Homeless Veterans:		108
Housing Type	# of Veteran specific beds in area*	# of additional beds site could use
Emergency Beds	0	38
Transitional Housing Beds	0	175
Permanent Housing Beds	35	50

*** These are the number of beds that Veterans can access that are Veteran-specific.**

Source: National Coalition for Homeless Veterans, U.S. Dept. of Veterans Affairs.

8. COMPETITIVE RENTAL ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Freedom's Path II Market Area. We pursued several avenues of research in an attempt to identify residential rental projects that are actively being planned or that are currently under construction within the Freedom's Path II Market Area. We interviewed representatives of each planning jurisdiction in the Freedom's Path II Market Area. Site visit observations and past RPRG work in the region also informed this process. The rental survey of competitive projects was conducted in June 2012.

B. Overview of Market Area Housing Stock

Based on the 2006-2010 ACS survey, rental housing in the Freedom's Path II Market Area is slightly denser than that of Richmond County, overall. Multi-family structures (i.e., buildings with five or more units) accounted for 37.4 percent of all rental units in the Freedom's Path II Market Area, compared to 36.5 percent in Richmond County (Table 28). Single-family homes, townhomes, and mobile homes comprised 42.7 percent and 45.6 percent of the rental stock in Freedom's Path II Market Area and Richmond County, respectively.

The vast majority (approximately 90 to 96 percent) of owner occupied units in both the Freedom's Path II Market Area and Richmond County consist of single-family homes. Similarly, mobile homes accounted for nearly all of the remaining units in both geographies.

The housing stocks of both the Freedom's Path II Market Area and the Richmond County are of an older vintage, though the county's housing stock is newer than that of the Freedom's Path II Market Area, overall. Among rental units, the Freedom's Path II Market Area and Richmond County have median years built of 1968 and 1975, respectively (Table 29). The median year built of the Freedom's Path II Market Area's owner occupied housing stock is 1958 compared to the owner occupied median year built of 1976 in Richmond County. In the Freedom's Path II Market Area, 4.3 percent of rental units were built since 2000 and 24.0 percent were built during the 1990's or 1980's. Over 71 percent of rental units in the Freedom's Path II Market Area were built prior to 1970.

According to the Nielsen Company, the median value among owner-occupied housing units in the Freedom's Path II Market Area as of 2010 was \$92,429, which is \$6,950 or 7.0 percent higher than the Richmond County median of \$99,390 (Table 30). Nielsen estimates home values based upon values from the 2000 Census and homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

Table 28 Dwelling Units by Structure and Tenure

	Richmond County		Freedom's Path Market Area	
Owner Occupied	Number	Percent	Number	Percent
1, detached	36,143	85.5%	8,830	93.6%
1, attached	2,148	5.1%	245	2.6%
2	47	0.1%	0	0.0%
3-4	305	0.7%	32	0.3%
5-9	174	0.4%	32	0.3%
10-19	51	0.1%	26	0.3%
20+ units	76	0.2%	21	0.2%
Mobile home	3,348	7.9%	248	2.6%
Boat, RV, Van	0	0.0%	0	0.0%
TOTAL	42,292	100.0%	9,434	100.0%

Source: American Community Survey, 2006-2010.

	Richmond County		Freedom's Path Market Area	
Renter Occupied	Number	Percent	Number	Percent
1, detached	11,101	34.8%	3,510	37.8%
1, attached	1,215	3.8%	168	1.8%
2	1,679	5.3%	454	4.9%
3-4	4,010	12.6%	1,393	15.0%
5-9	7,111	22.3%	2,040	22.0%
10-19	2,230	7.0%	690	7.4%
20+ units	2,320	7.3%	747	8.0%
Mobile home	2,241	7.0%	286	3.1%
Boat, RV, Van	0	0.0%	0	0.0%
TOTAL	31,907	100.0%	9,288	100.0%

Source: American Community Survey, 2006-2010.

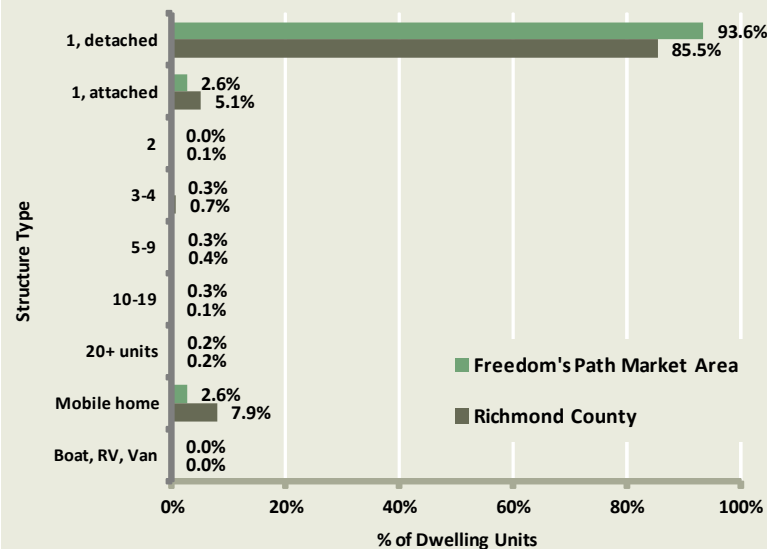
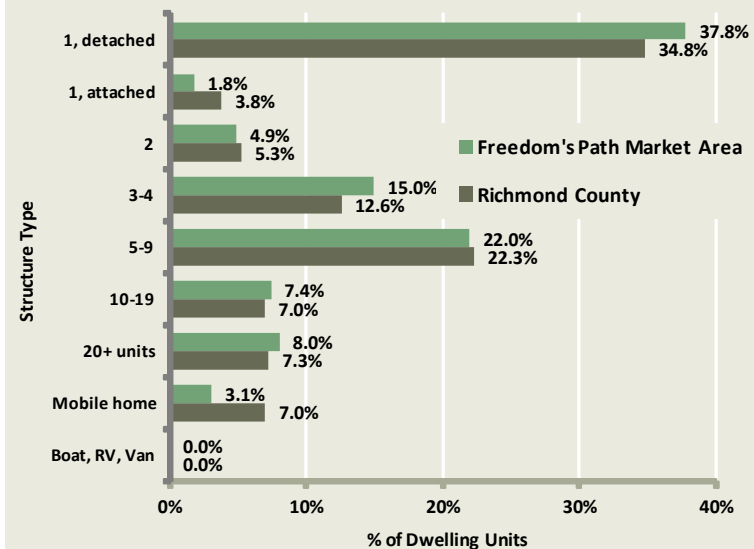
**2006-10 Dwelling Units by Units in Structure
Owner Occupied Units****2006-10 Dwelling Units by Units in Structure
Renter Occupied Units**

Table 29 Dwelling Units by Year Built and Tenure

	Richmond County		Freedom's Path Market Area	
Owner Occupied	Number	Percent	Number	Percent
2005 or later	1,840	4.4%	147	1.6%
2000 to 2004	3,030	7.2%	112	1.2%
1990 to 1999	6,663	15.8%	293	3.1%
1980 to 1989	6,612	15.6%	605	6.4%
1970 to 1979	7,841	18.5%	1,312	13.9%
1960 to 1969	6,732	15.9%	1,971	20.9%
1950 to 1959	4,921	11.6%	1,963	20.8%
1940 to 1949	2,061	4.9%	1,246	13.2%
1939 or earlier	2,592	6.1%	1,785	18.9%
TOTAL	42,292	100.0%	9,434	100.0%
MEDIAN YEAR BUILT	1976		1958	

Source: American Community Survey, 2006-2010.

	Richmond County		Freedom's Path Market Area	
Renter Occupied	Number	Percent	Number	Percent
2005 or later	1,031	3.2%	219	2.4%
2000 to 2004	1,929	6.0%	178	1.9%
1990 to 1999	3,982	12.5%	796	8.6%
1980 to 1989	5,785	18.1%	1,436	15.5%
1970 to 1979	7,682	24.1%	1,877	20.2%
1960 to 1969	4,259	13.3%	1,484	16.0%
1950 to 1959	3,221	10.1%	1,356	14.6%
1940 to 1949	1,657	5.2%	738	7.9%
1939 or earlier	2,361	7.4%	1,204	13.0%
TOTAL	31,907	100.0%	9,288	100.0%
MEDIAN YEAR BUILT	1975		1968	

Source: American Community Survey, 2006-2010.

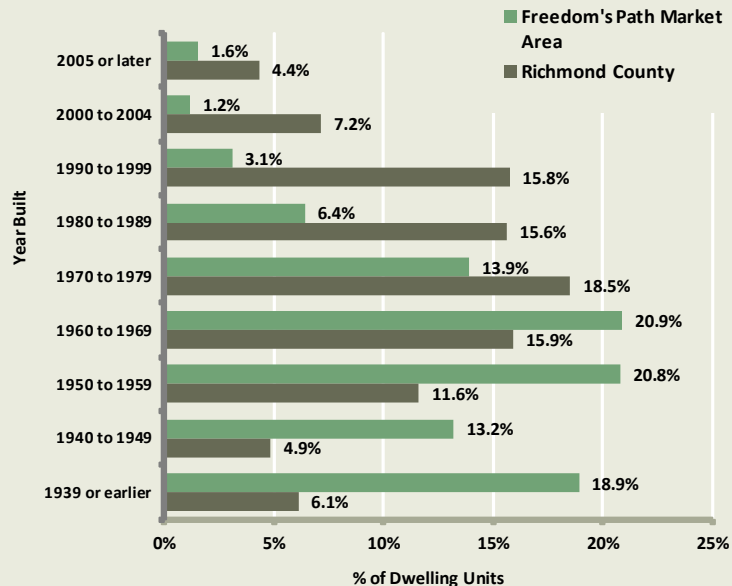
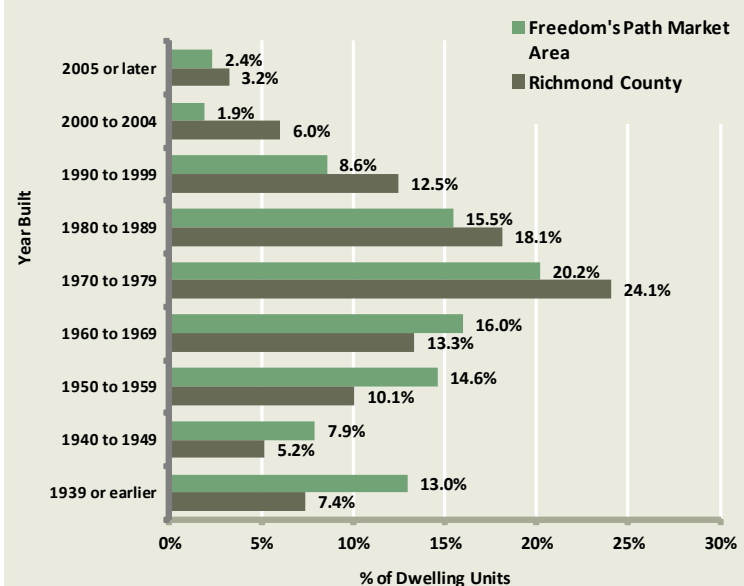
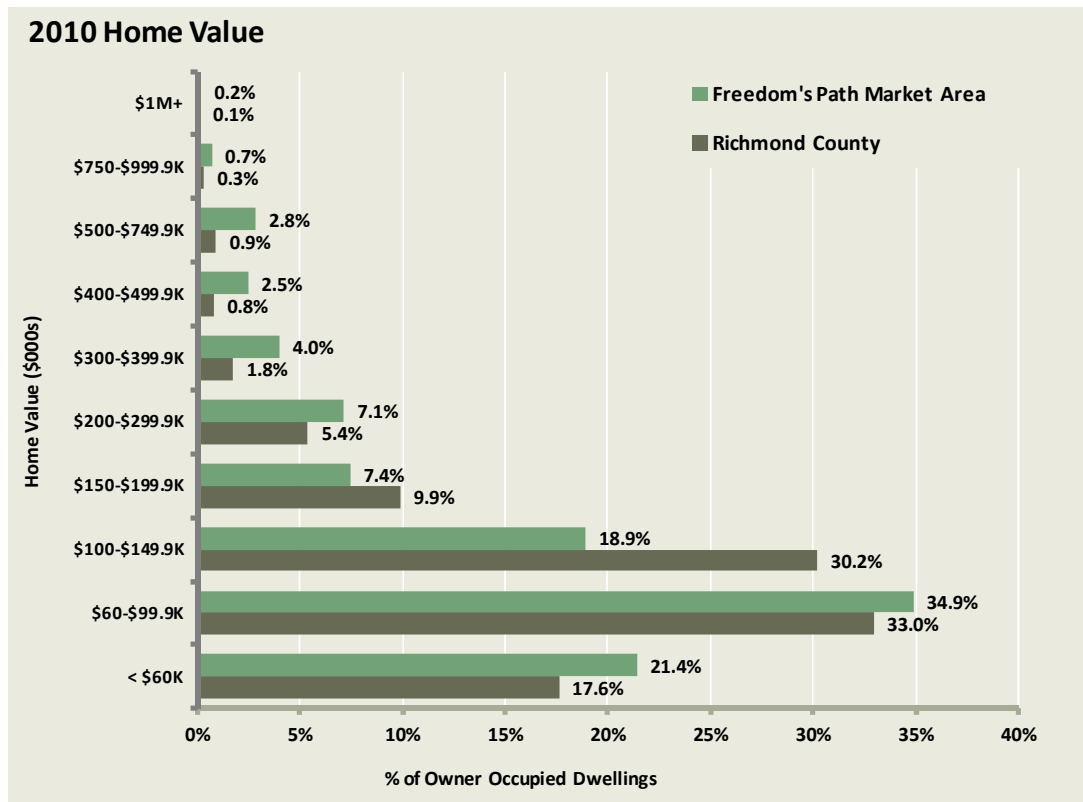
**2006-2010 Dwelling Units by Year Built
Owner Occupied Units****2006-2010 Dwelling Units by Year Built
Renter Occupied Units**

Table 30 Value of Owner Occupied Housing Stock

		Richmond County		Freedom's Path Market Area	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$60,000	7,924	17.6%	2,100	21.4%
	\$60,000 - \$99,999	14,822	33.0%	3,422	34.9%
	\$100,000 - \$149,999	13,588	30.2%	1,856	18.9%
	\$150,000 - \$199,999	4,449	9.9%	730	7.4%
	\$200,000 - \$299,999	2,431	5.4%	701	7.1%
	\$300,000 - \$399,999	790	1.8%	392	4.0%
	\$400,000 - \$499,999	360	0.8%	243	2.5%
	\$500,000 - \$749,999	417	0.9%	279	2.8%
	\$750,000 - \$999,999	143	0.3%	69	0.7%
	\$1,000,000 over	58	0.1%	18	0.2%
Total		44,982	100.0%	9,810	100.0%
Median Value		\$99,390		\$92,429	

Source: The Nielsen Company



C. Survey of the Competitive Housing Survey

1. Introduction to the Rental Housing Survey

For the purposes of this analysis, RPRG surveyed 18 general occupancy rental communities in the Freedom's Path II Market Area. Of these 18 properties, two were financed by Low Income Housing Tax Credits (LIHTC), two were funded through the HUD Section 8 program, and 14 are market rate. While not directly comparable to Freedom's Path II due to the inclusion of project based rental assistance (PBRA), the two HUD Section 8 communities serve disabled households and are included for reference purposes. These communities are shown separately, however, as they are not reflective of current market conditions for an LIHTC rental community. Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 7. The location of each community relative to the subject site is shown on Map 5.

Two additional LIHTC communities, The Terrace at Edinburgh and the Crest at Edinburgh, were also identified in the Freedom's Path II Market Area but were not included in this analysis. The Terrace at Edinburgh consists of 73 units targeted to senior renter households while the Crest of Edinburgh consists of 40 three and four bedroom single-family homes. Given the differences in tenant population and income targeting relative to the subject property, neither of these communities is directly comparable to the proposed Freedom's Path II.

2. Location

All of the surveyed rental communities are located throughout west Augusta and within two to three miles of the subject site.

3. Age of Communities

Combined, the surveyed LIHTC and market rate rental communities reported an average year built of 1972 with the newest property constructed in 1987. By comparison, the two deeply subsidized HUD Section 8 communities are significantly newer overall with average year built of 1996.

4. Structure Type

The structure type and building characteristics of the market area's rental stock include a mixture of garden-style apartments, townhomes, and two-story walk-ups. Exterior features are generally dependent on the age and price point of the communities with newer market rate and recently constructed LIHTC communities being the most attractive.

5. Size of Communities

The surveyed rental communities range in size from 5 units (Walton Manor) to 324 units (Georgian Place) with an overall average size of 109 units. The two LIHTC properties are larger than the general rental market as a whole with an average community size of 166 units while the two deeply subsidized properties contain just five and nine units each.

6. Vacancy Rates

Excluding Oak Hill which refused to report occupancy, the 15 surveyed LIHTC and market rate rental communities combine to offer 1,624 units, of which 71 or 4.4 percent were reported vacant (Table

31). Among the two LIHTC properties, 28 of 332 units were available at the time of our survey for a vacancy rate of 8.4 percent; however, all 28 vacant units occurred at Magnolia Park. The remaining LIHTC community, Forest Brook, was 100 percent occupied. In addition, both deeply subsidy rental communities were fully occupied with waiting lists (Table 32).

Table 31 Rental Summary, Surveyed Rental Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive/Waitlist
	Subject Property - 50% AMI		Adaptive Reuse	5					
	Subject Property - 60% AMI		Adaptive Reuse	23					
1	Champion Pines	1987	Garden	220	5	2.3%	\$640	\$753	None
2	Forest Hills	1945	Garden	72	0	0.0%	\$595	\$688	None
3	Yorktown	1968	Townhouse	31	0	0.0%	\$450	\$650	None
4	Bransford	1949	Townhouse	72	0	0.0%		\$625	None
5	Aumond Villa	1965	Garden	88	5	5.7%		\$610	1 month free
6	Willow Ridge	1968	Townhouse	120	0	0.0%		\$595	None
7	Oak Hill	1974	Garden	120	N/A	N/A	\$498	\$585	None
8	Georgian Place	1968	Garden/TH	324	20	6.2%	\$499	\$582	Reduced rent
9	Vintage Creek	1972	Garden	104	3	2.9%	\$525	\$565	None
10	Forest Brook*	1984	Garden	161	0	0.0%	\$450	\$538	None
11	Woodhaven	1979	Garden	152	8	5.3%	\$495		None
12	Magnolia Park*	1969	Garden/TH	171	28	16.4%	\$400	\$512	None
13	Baywood	1985	Townhouse	17	1	5.9%		\$500	None
14	Davidson Terrace		Duplex	8	0	0.0%		\$500	None
15	Highland Terrace	1985	Townhouse	32	1	3.1%		\$500	None
16	Singleton	1985	Townhouse	52	0	0.0%		\$500	None
Reporting Overall Total				1,624	71	4.4%			
Overall Average		1972		109			\$506	\$580	
LIHTC Total				332	28	8.4%			
LIHTC Average		1977		166			\$425	\$525	

LIHTC Communities*

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. June, 2012

Table 32 Rental Summary, Surveyed Deep Subsidy Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Incentive/Waitlist
17	Walton Manor**	1996	Garden	5	0	0.0%	None
18	Walton Heights**	1996	Garden	9	0	0.0%	None
Overall Total				14	0	0.0%	
Overall Average		1996		7			

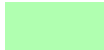
Deep Subsidy Communities**

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. June, 2012



SITE



Primary Market Area



Market Rate Community

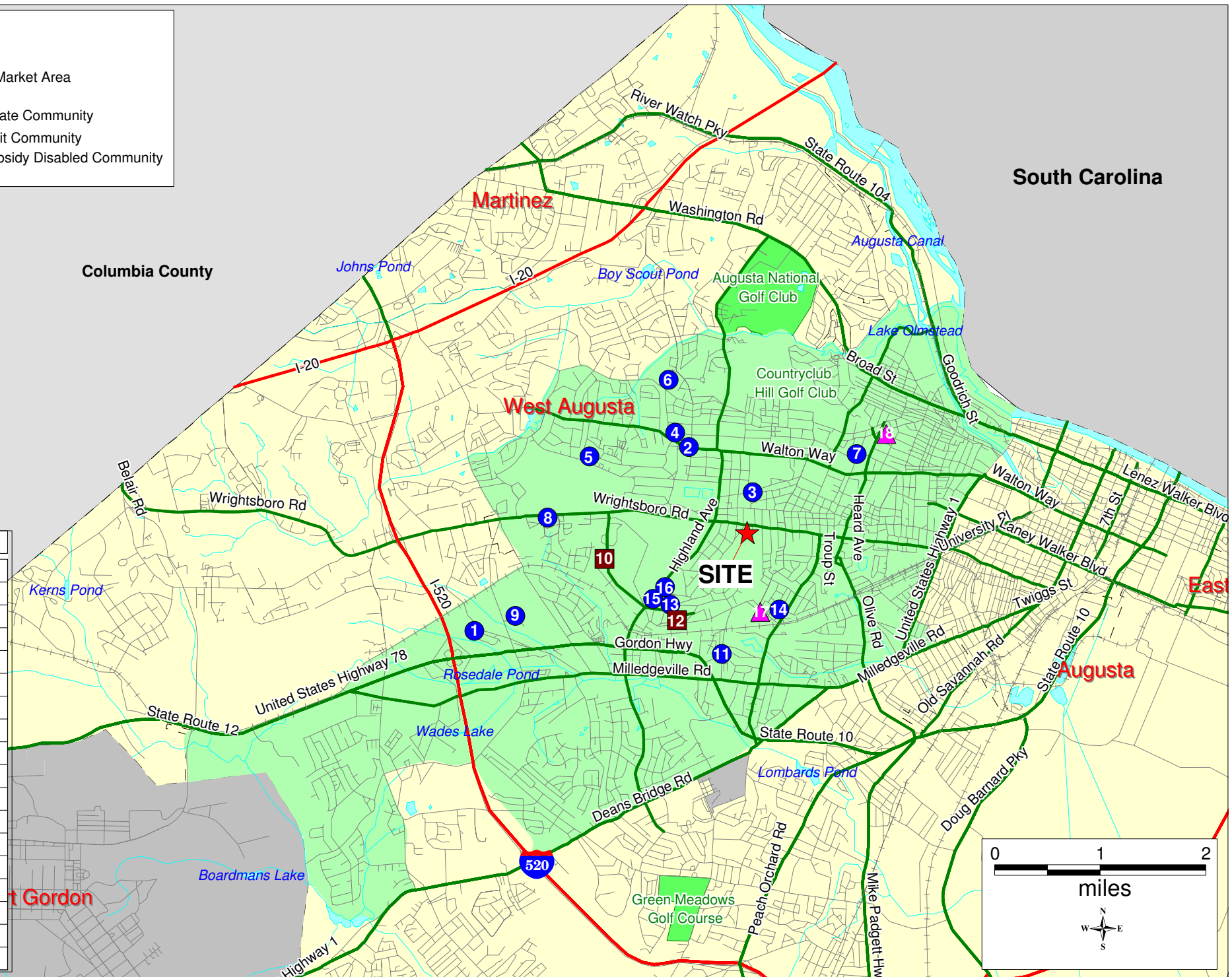


Tax Credit Community



Deep Subsidy Disabled Community

#	Community
1	Champion Pines
2	Forest Hills
3	Yorktown
4	Bransford
5	Aumond Villa
6	Willow Ridge
7	Oak Hill
8	Georgian Place
9	Vintage Creek
10	Forest Brook
11	Woodhaven
12	Magnolia Park
13	Baywood
14	Davidson Terrace
15	Highland Terrace
16	Singleton
17	Walton Manor
18	Walton Heights



Map 5
Suveyed General Occupancy Communities
Freedom's Path II Market Area

7. Rent Concessions

Only two of the 18 properties surveyed, both of which were market rate, were offering rent concessions or incentives at the time of our survey.

8. Absorption History

None of the surveyed rental communities in the Freedom's Path II Market Area were able to provide historic absorption rates or lease-up data.

D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

At 16 of the 18 properties surveyed, utility expenses associated with water/sewer and trash removal are the responsibility of the landlord and included in rent, while the balance of utility expenses (cooking, heat, hot water, electricity) are the responsibility of the tenant (Table 33). Of the remaining two properties, the market rate community Vintage Creek includes just the cost of trash removal while the deeply subsidized Walton Manor includes the cost of all utilities.

2. Unit Features

Fourteen surveyed communities include dishwashers and washer/dryer connections in some or all units while five properties also provide microwaves in each unit. Patios/balconies, garbage disposals, and central laundry facilities are also available at most of the surveyed rental stock (Table 33). Freedom's Path II's proposed unit features, which will include dishwashers, garbage disposals, microwaves, and central laundry areas (community-wide), will be competitive with the surveyed rental stock and are appropriate for an LIHTC community.

3. Parking

All surveyed rental communities include free surface parking as their standard parking option.

4. Community Amenities

The rental communities surveyed in the Freedom's Path II Market Area offer few, if any, recreational amenities. The most common include a swimming pool (6 properties), playground (5 properties), and community room/club house (3 properties) (Table 33). None of the surveyed rental communities provide gated or secured access. Freedom's Path II will contain a community room with kitchen, fitness center, computer center, and covered porch, which will be competitive in the market place and well received by the target market.

Table 33 Utilities and Unit Features – Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent						Dishwasher	Microwave	Parking	In-Unit Laundry
		Heat	Hot Water	Cook	Electric	Water	Trash				
Subject Property	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	
Aumond Villa	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Baywood	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Select Units
Bransford	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Standard - Stacked
Champion Pines	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Davidson Terrace	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	Hook Ups
Forest Brook	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Forest Hills	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Georgian Place	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select Units		Free Surface Parking	Hook Ups
Highland Terrace	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select Units	Standard	Free Surface Parking	Select Units
Magnolia Park	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Oak Hill	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	
Singleton	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	
Vintage Creek	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Walton Heights	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		Select Units	Free Surface Parking	Hook Ups
Walton Manor	Electric	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	
Willow Ridge	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Woodhaven	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	
Yorktown	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. June, 2012

Table 34 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Hot Tub	Playground	Tennis Court	Buisness/Computer Center
Subject Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Aumond Villa	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Baywood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bransford	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Champion Pines	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Davidson Terrace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Forest Brook	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Forest Hills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgian Place	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Highland Terrace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Magnolia Park	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Oak Hill	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Singleton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vintage Creek	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Willow Ridge	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Woodhaven	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yorktown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. June, 2012

5. Distribution of Units by Bedroom Type

Excluding deeply subsidized communities, unit distributions were only available for 64.7 percent of the 1,744 units surveyed in the Freedom's Path II Market Area. Among the 16 communities surveyed, one offers efficiency units, nine offer one bedroom units, 15 offer two bedroom units, and four offer three bedroom units. On a percentage basis, 28.9 percent of units contain one bedroom, 66.0 percent contain two bedrooms, and 5.1 percent contain three bedrooms.

6. Effective Rents

Unit rents presented in Table 35 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where water/sewer and trash removal utility costs are included in monthly rents at all communities, with tenants responsible for other utility costs (electricity, heat, hot water, and cooking fuel). As the subject property includes the cost of all utilities, the proposed rents were adjusted downward by \$88 in order to make an accurate comparison with the surveyed rental stock.

- **Efficiency** units offered at Champion Pines have an effective rent of \$545 per month. With a unit size of 500 square feet, the resulting in a net rent per square foot is \$1.09.
- **One-bedroom** effective rents averaged \$503 per month. The average one-bedroom square footage was 693 square feet, resulting in a net rent per square foot of \$0.73. The range for one-bedroom effective rents was \$400 to \$600.
- **Two-bedroom** effective rents averaged \$575 per month. The average two-bedroom square footage was 993 square feet, resulting in a net rent per square foot of \$0.58. The range for two-bedroom effective rents was \$500 to \$713.
- **Three-bedroom** effective rents averaged \$661 per month. The average three-bedroom square footage was 1,228 square feet, resulting in a net rent per square foot of \$0.54. The range for three-bedroom effective rents was \$615 to \$704.

7. DCA Estimate of Market Rent

To determine average "market rents" as outlined in DCA's 2012 Market Study Manual, rents were averaged at the most comparable communities to the proposed Freedom's Path II (Table 36). These include the market rate properties Champion Pines, Forest Hills, Vintage Creek, and Oak Hill in the Freedom's Path II Market Area.

The average "market rent" among comparable communities is \$545 for an efficiency unit; however, as this is based on only one property, we also calculated an average market rent of \$558 for comparable one bedroom units (Table 37). Compared to average market rents, the subject property's adjusted proposed rents have rent advantages ranging from 23.1 percent to 24.9 percent for 50 percent units and 16.7 percent to 18.6 percent for 60 percent units. It is important to note that these average market rents are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. As such, a negative rent differential does not necessary indicate the proposed rents are unreasonable or unachievable in the market.

Table 35 Salient Characteristics, Surveyed Rental Communities

Community	Type	Total Units	Efficiency Units				One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject Property - 50% AMI	Adaptive Reuse	5																
Subject Property - 60% AMI	Adaptive Reuse	23	5	\$419	500	\$0.84												
			23	\$454	500	\$0.91												
Champion Pines	Garden	220		\$545	500	\$1.09		\$600	700	\$0.86		\$713	1,000	\$0.71				
Forest Hills	Garden	72						\$595	750	\$0.79		\$688	1,075	\$0.64				
Yorktown	Townhouse	31					4	\$450	N/A	N/A	27	\$650	N/A	N/A				
Bransford	Townhouse	72									72	\$625	1,180	\$0.53				
Willow Ridge	Townhouse	120									120	\$595	1,010	\$0.59				
Vintage Creek	Garden	104					24	\$540	884	\$0.61	80	\$585	984	\$0.59				
Oak Hill	Garden	120					76	\$498	640	\$0.78	44	\$585	1,010	\$0.58				
Georgian Place	Garden/TH	324						\$499	715	\$0.70		\$582	1,008	\$0.58		\$704	1,150	\$0.61
Aumond Villa	Garden	88									44	\$559	1,050	\$0.53	44	\$651	1,410	\$0.46
Woodhaven	Garden	152					152	\$495	567	\$0.87								
Forest Brook* 60% AMI	Garden	161					57	\$450	580	\$0.78	96	\$538	878	\$0.61	8	\$675	1,250	\$0.54
Magnolia Park* 60% AMI	Garden/TH	171					13	\$400	710	\$0.56	152	\$512	989	\$0.52	6	\$615	1,100	\$0.56
Baywood	Townhouse	17									17	\$500	940	\$0.53				
Davidson Terrace	Duplex	8									8	\$500	900	\$0.56				
Highland Terrace	Townhouse	32									32	\$500	940	\$0.53				
Singleton	Townhouse	52									52	\$500	940	\$0.53				
Total/Average		1,744		\$545	500	\$1.09		\$503	693	\$0.73		\$575	993	\$0.58		\$661	1,228	\$0.54
Unit Distribution		1,128						326				744			58			
% of Total		64.7%						28.9%				66.0%			5.1%			

LIHTC Communities*

Rent adjusted \$40 for including cable

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. June, 2012

Table 36 Average Market Rent, Most Comparable Rental Communities

Community	Type	Total Units	Efficiency Units				One Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject Property - 50% AMI	Adaptive Reuse	5	5	\$419	500	\$0.84				
Subject Property - 60% AMI	Adaptive Reuse	23	23	\$454	500	\$0.91				
Champion Pines	Garden	220		\$545	500	\$1.09		\$600	700	\$0.86
Forest Hills	Garden	72						\$595	750	\$0.79
Vintage Creek	Garden	104					24	\$540	884	\$0.61
Oak Hill	Garden	120					76	\$498	640	\$0.78
Total/Average		516		\$545	500	\$1.09		\$558	744	\$0.75
Unit Distribution		224						100		
% of Total		43.4%						44.6%		

LIHTC Communities***Rent adjusted \$40 for including cable**

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. June, 2012

Table 37 Rent Advantage Summary

	Efficiency	One Bdrm.
Average Market Rent	\$545	\$558
Proposed 50% Rent	\$419	\$419
Advantage (\$)	\$126	\$139
Advantage (%)	23.1%	24.9%
Proposed 60% Rent	\$454	\$454
Advantage (\$)	\$91	\$104
Advantage (%)	16.7%	18.6%

E. Housing Authority Data / Subsidized Housing List

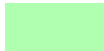
A list of all subsidized communities in the Freedom's Path II Market Area is shown in Table 38 and their locations are plotted on Map 6. In addition to the general occupancy LIHTC communities and the two disabled properties evaluated in the previous section, four Section 8 properties and two LIHTC communities were identified (one senior and one general occupancy). The Freedom's Path II Market Area is also served by the Augusta Housing Authority, which operates 3,579 Section 8 vouchers and 2,212 Public Housing units. Based on the most recent information available at the time of this report, all Section 8 vouchers are being used with a waiting list of unspecified length while the waiting list for public housing units ranges from one to five years.

Table 38 LIHTC and Subsidized Rental Communities

Property	Subsidy	Type	Address	City	Distance
Walton Heights	Section 8	Disabled	2038 Fenwick St.	Augusta	1.9 miles
Walton Manor	Section 8	Disabled	2208 Walden Dr.	Augusta	0.7 mile
Augusta Properties	Section 8	Family	1901 Broad St.	Augusta	2.5 miles
Mount Zion	Section 8	Family	2445 Amsterdam Dr.	Augusta	4.1 miles
Trinity Manor	Section 8	Family	2375 Barton Chapel Rd.	Augusta	3.9 miles
Bon Air	Section 8	Senior	2101 Walton Way	Augusta	1.4 miles
The Terrace at Edinburgh	Tax Credit	Senior	2515 Kennedy Dr.	Augusta	1.3 miles
The Crest at Edinburgh	Tax Credit	Family	2515 Kennedy Dr.	Augusta	1.3 miles
Forest Brook	Tax Credit	Family	3122 Damascus Rd.	Augusta	1.2 miles
Magnolia Park	Tax Credit	Family	2133 Vandivere Rd.	Augusta	0.7 mile



SITE



Primary Market Area



Tax Credit Family Community



Section 8 Disabled Community



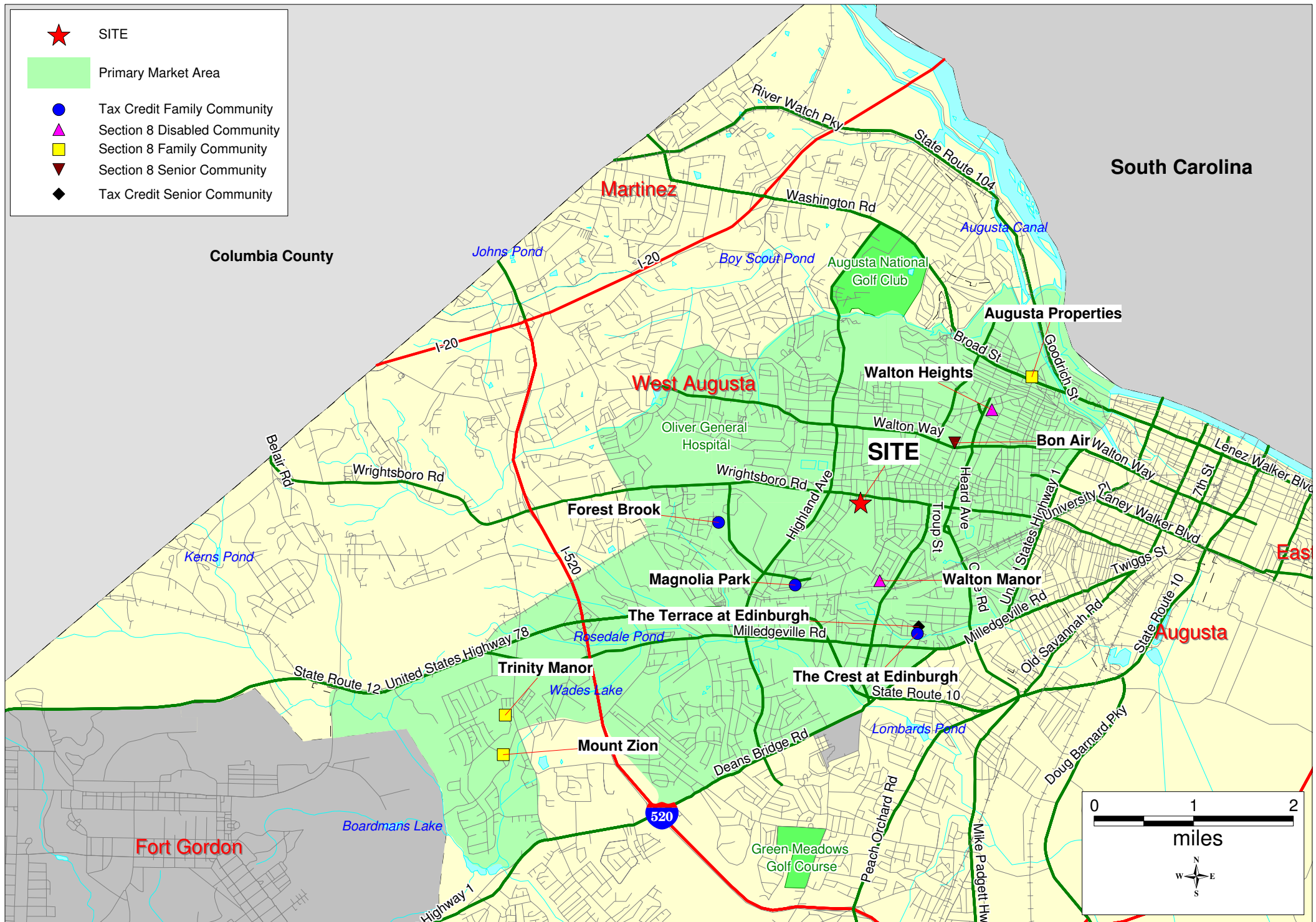
Section 8 Family Community



Section 8 Senior Community



Tax Credit Senior Community



Map 6
Subsidized Communities
Freedom's Path II Market Area

F. Impact of Abandoned, Vacant, or Foreclosed Homes

Based on field observations and the age of the existing housing stock, few abandoned / vacant single and multi-family homes exist in the Freedom's Path II Market Area. Data provided by RealtyTrac.com also indicates modest foreclosure activity in the subject property's ZIP Code (30904). To understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a web site aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner's grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for ZIP code 30904 in which the subject property will be located and the broader areas of Augusta, Richmond County, Georgia, and the United States for comparison purposes.

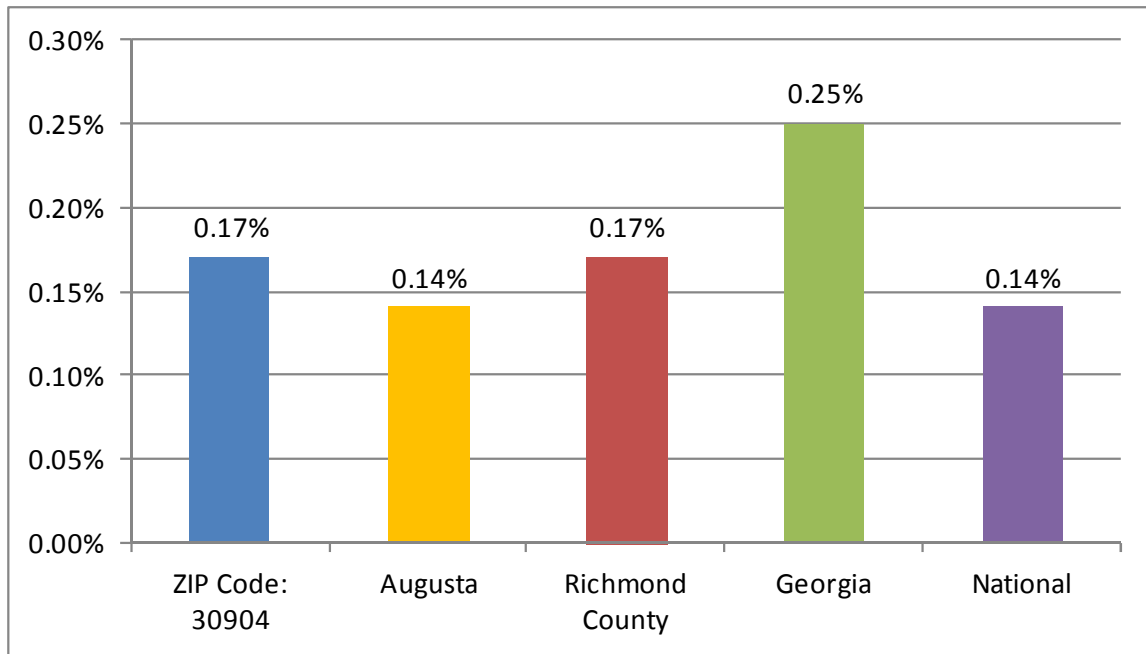
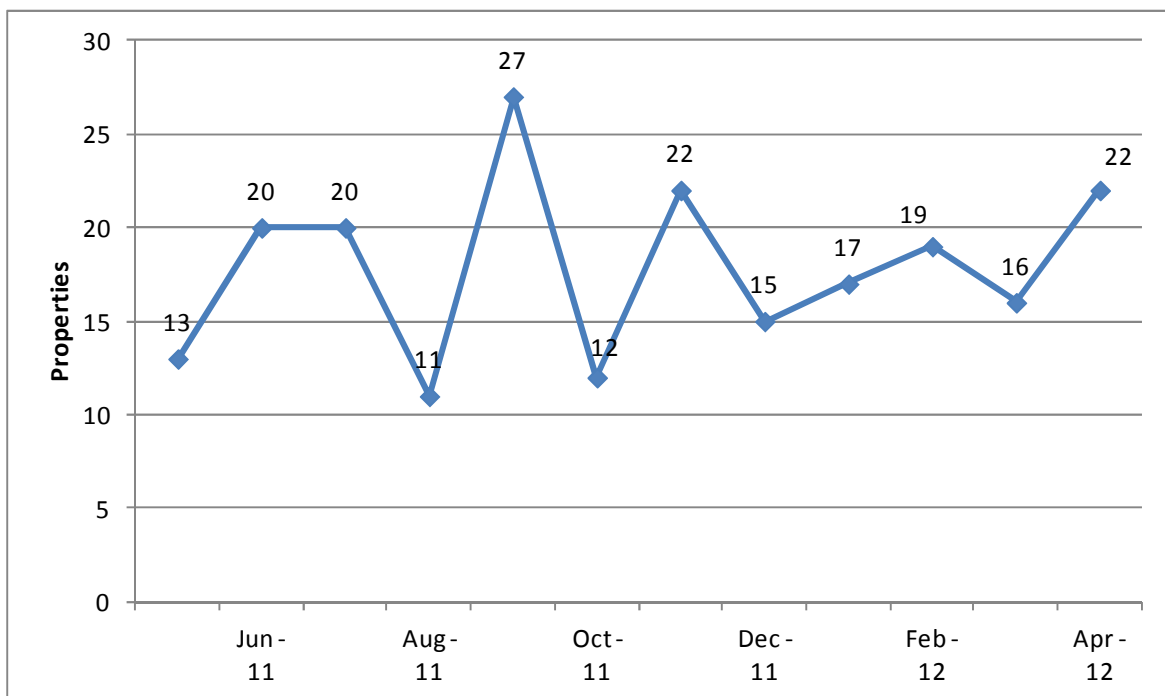
Our RealtyTrac search revealed 22 units were in foreclosure within the subject property's ZIP code (30904) in April of 2012, the most recent month data was available. This results in a foreclosure rate of 0.17 percent, slightly higher than the City of Augusta and the United States but equal to or lower than Richmond County and the State of Georgia (Table 39). Over the past year, the number of foreclosures in the subject property's ZIP Code ranged from 11 to 27 with a spike in September of 2011 (Table 40).

While the conversion of such properties can affect the demand for new multi-family rental housing in some markets, the more established Freedom's Path II Market Area did not see a boom in residential real estate activity and largely avoided the bust of the housing bubble. Furthermore, the special needs population of the subject property (homeless and disabled veterans) along with its affordable nature further reduces the impact of these single-family unit types. Overall, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact Freedom's Path II's ability to lease its units.

G. Proposed and Under Construction Rental Communities

1. Overview

Based on conversations with municipal and county planning officials, no new rental communities were identified in the planning and/or construction stages in the Freedom's Path II Market Area. Information from local planning officials was also supplemented with a review DCA allocations over the past five years. While two rental communities have received allocations for tax credits in the Freedom's Path II Market Area during this period, both communities (The Terrace at Edinburgh and The Crest at Edinburgh) have completed construction and are leasing. Additionally, it is important to note these two communities serve different segments of the household base than the subject property, as The Terrace Edinburgh is restricted to senior households age 55 and older while the Crest at Edinburgh targets large families with three and four bedroom single-family homes. For the purposes of DCA demand estimates, neither of these LIHTC communities is considered comparable to the proposed Freedom's Path II Apartments and is not subtracted from demand estimates.

Table 39 Foreclosure Rate, ZIP CODE 30904, April 2012**Table 40 Recent Foreclosure Activity, ZIP CODE 30904**

9. ABSORPTION AND STABILIZATION RATES

As no comparable rental communities have been newly constructed in the Freedom's Path II Market Area over the last two years, historical absorption data at comparable communities was unavailable. In the absence of experiences from existing LIHTC communities, several other factors including projected household growth, income-qualified renter households in the market area, demand estimates, rental market conditions, and the marketability of the proposed site and product are used to determine absorption estimates.

- Although the primary market area's population and household base is projected to decrease over the next five years, the market area has a solid base of renter households.
- The subject property will target a special needs population of homeless veterans for which demand has been determined by the National Coalition for Homeless Veterans based on U.S. Department of Veterans Affairs' data.
- In total, 1,632 renter households will be income qualified for one or more units proposed at the subject property by its placed-in-service year of 2014.
- Capture rates based on DCA's demand methodology are all below 10 percent and considered low. These capture rates show sufficient demand to support the proposed units.
- Upon completion, Freedom's Path II will offer an attractive and affordable product that will be well received by the target market in the Freedom's Path II Market Area.

We believe the product proposed will be appealing to the target market given the unit designs, amenities, location on the VA Medical Center Campus, and reasonableness of the proposed rents. Based on these factors and assuming an aggressive, professional marketing campaign, Freedom's Path II should be able to lease up at a minimum rate of four units per month. At this rate, the project would be able achieve 93 percent occupancy within an approximate six to seventh month time period. This lease-up rate allows additional time to identify potential residents. If the individuals in the target market area are identified early, the lease up period may be shortened.

10. INTERVIEWS

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Bob Austin with the Augusta Planning and Zoning, and officials with the Augusta Housing Authority.

11. CONCLUSIONS AND RECOMMENDATIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Freedom's Path II Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has ample access to amenities, services, and transportation arteries.

- The subject property will be located in the northwest corner of the Charlie Norwood VA Medical Center. Although the site has an address of Freedom Way, it is located just inside the medical campus west of Maryland Avenue. Freedom Way refers to the main entrance off Wrightsboro Road.
- Community services, neighborhood shopping centers, medical services, public transportation, and recreational venues are easily accessible in the site's immediate vicinity including both convenience and comparison shopping opportunities within two to three miles.
- The VA Campus can be accessed from the main entrance off Wrightsboro Road (via Freedom Way). Given the traffic light on Freedom Way at Wrightsboro Road, this entrance will provide convenient access to the subject property. From Wrightsboro Road, both Interstate 520 and downtown Augusta are accessible within two miles.
- Given the target market of homeless veterans, the subject site's location on the VA Medical Center Campus is ideal. Bordering land uses of the community include VA facilities and single-family detached homes.

2. Economic Context

The Richmond County economy exhibited steady growth for much of the past decade before experiencing job loss and high unemployment during the recent national recession. Overall, the county has shown signs of stabilization since the recession's peak in 2008 to 2009 with declining rates of job loss and/or employment growth. Based on current conditions and the deeply subsidized nature of the subject property, we do not believe local economics will negatively impact the proposed Freedom's Path II.

- Richmond County's unemployment rate has increased steadily since 2000 with ranges of 4.3 percent to 5.8 percent from 2000-2004 and 6.2 percent to 7.2 percent from 2005-2008. The unemployment rate in Richmond County increased significantly in 2009 to 10.0 percent. The county's unemployment rate peaked at 10.8 percent in 2010 before receding slightly in 2011 and the first quarter of 2012.
- At Place Employment decreased by 9,368 jobs or 8.8 percent between 2000 and 2010. At Place Employment increased slightly through the first three quarters of 2011 with a net gain of 540 jobs.

- The government sector accounts for 25.7 percent of the jobs in Richmond County. By comparison, government accounts for only 16.4 percent of jobs nationally. The next largest sectors in Richmond County are education-health and trade-transportation-utilities with 17.9 percent and 14.2 percent of the county's job base, respectively.

3. Demographic Analysis

The Freedom's Path II Market Area experienced modest population and household decline over the past decade, a trend expected to continue. Richmond County is projected to continue to experience modest population and household growth.

- RPRG estimates that the Freedom's Path II Market Area's population will decrease by 1,826 people between 2012 and 2017, bringing the total population to 42,633. This represents an annual decline of 0.8 percent or 365 persons. The number of households will decrease at a similar rate, falling by 0.6 percent or 558 new households per annum and resulting in a total household base of 18,449 in 2017.
- Based on Nielsen Company estimates, the population of the Freedom's Path II Market Area is older than that of Richmond County with median ages of 35 and 33, respectively. Adults (persons age 35-61 years) constitute the largest age group, accounting for 33.0 percent of the population in the Freedom's Path II Market Area and 33.8 percent of the population in Richmond County.
- Only 27.4 percent of all households in the Freedom's Path II Market Area are married and 27.3 percent contain children. By comparison, Richmond County has a higher marriage rate (36.3 percent) and percentage of households containing children (33.9 percent).
- Based on 2000 and 2010 Census data, the Freedom's Path II Market Area experienced a significant trend away from homeownership with the loss of 1,402 owner occupied households and gain 946 renter households for the decade. According to Nielsen estimates, 2012 and 2017 rental rates in the Freedom's Path II Market Area are 54.6 percent and 58.0 percent, respectively.
- Young working age households form the core of the market area's renters, as over half (45.2 percent) of renter householders are ages 25-44. The Freedom's Path II Market Area also has a notable proportion (31.8 percent) of older adult and senior renters (age 45 to 64 years).
- Based on Nielsen estimates, the Freedom's Path II Market Area's 2012 median income of \$31,062 is \$8,008 or 20.5 percent lower than the \$39,070 median in Richmond County.
- The 2012 median income for renter householders in the Freedom's Path II Market Area is \$23,021. Nearly one-third (32.0 percent) of renter householders in the Freedom's Path II Market Area have an income of less than \$25,000 per year and an additional 22.4 percent earn between \$15,000 and \$24,999.

4. Competitive Housing Analysis

For the purposes of this analysis, RPRG surveyed 18 general occupancy rental communities in the Freedom's Path II Market Area. Of these 18 properties, two were financed by Low Income Housing Tax Credits (LIHTC), two were funded through the HUD Section 8 program, and 14 are market rate. Overall, the rental communities are performing well with modest vacancy rates. While the overall

LIHTC vacancy rate is higher, this due to the poor performance of one property which is older and not comparable to the special needs units proposed at the subject property.

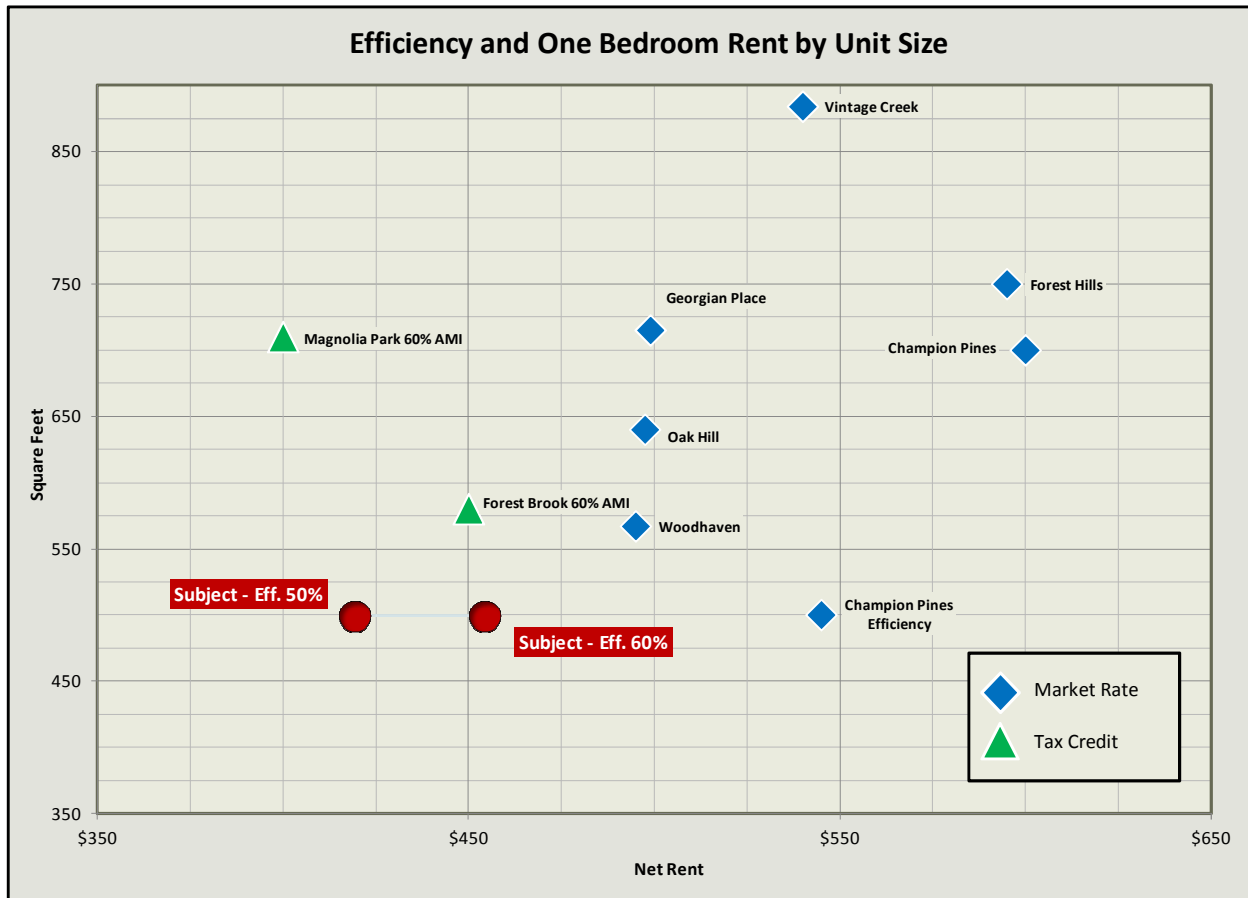
- Excluding Oak Hill which refused to report occupancy, the 15 surveyed LIHTC and market rate rental communities combine to offer 1,624 units, of which 71 or 4.4 percent were reported vacant. Among the two LIHTC properties, 28 of 332 units were available at the time of our survey for a vacancy rate of 8.4 percent; however, all 28 vacant units occurred at Magnolia Park. The remaining LIHTC community, Forest Brook, was 100 percent occupied. In addition, both deeply subsidy rental communities were fully occupied with waiting lists.
- Among surveyed LIHTC and market rate rental communities, average net rents and rents per square foot by floor plan are as follows:
 - **Efficiency** units offered at Champion Pines have an effective rent of \$545 per month. With a unit size of 500 square feet, the resulting in a net rent per square foot is \$1.09.
 - **One-bedroom** effective rents averaged \$503 per month. The average one-bedroom square footage was 693 square feet, resulting in a net rent per square foot of \$0.73.
- The average “market rents” among comparable communities are \$545 for an efficiency unit (based on one property) and \$558 for a one bedroom unit. Compared to average market rents, the subject property’s proposed efficiency rents (adjusted for utilities) would have rent advantages ranging from 16.7 percent to 24.9 percent.
- No new rental communities comparable to Freedom’s Path II are planned or under construction in the Freedom’s Path II Market Area.

B. Target Markets

Freedom’s Path II will target low income renter households and provide permanent housing for homeless and disabled veterans of the American Armed Services. As the community will offer efficiency units, potential renter households will primarily consist of single-person households.

C. Price Position

As proposed, Freedom’s Path II would be positioned near the bottom of the rental market, comparable to one bedroom units offered at surveyed LIHTC communities. With an average size of approximately 500 square feet, the proposed efficiency units at Freedom’s Path II will also be complete with efficiency and one bedroom units in the rental market on a price per square foot basis. Figure 7 illustrates the relative positions of the proposed rent structure in the current marketplace.

Figure 7 Price Position of Freedom's Path II

D. Product Evaluation

Considered in the context of the competitive environment, the relative position of Freedom's Path II is as follows:

- **Site:** The proposed development is located on the campus of the Charlie Norwood VA Medical Center, which is ideal given the target market. The surrounding land uses of VA facilities and single-family homes just west of the campus are compatible with the proposed development. The site is located within close proximity of neighborhood amenities including health care, shopping, and public transportation.
- **Unit Distribution:** The proposed unit mix includes 28 efficiencies. Efficiency units, while not common in the Freedom's Path II Market Area, are appropriate given the special needs nature of the community.
- **Unit Size:** As an adaptive re-use, Freedom's Path II will include a variety of unit configurations and floor plans with an approximate average unit size of 500 square feet. Overall, the average proposed size of the efficiency units is equal to the only other efficiency units offered in the rental market and a reasonable amount smaller than average one bedroom units at surveyed rental communities. Given the existence of deep subsidies and target market of the community, the proposed unit sizes are appropriate.
- **Unit Features:** The newly constructed units at the subject property will offer kitchens with new energy star appliances including a refrigerator, range, dishwasher, garbage disposal, and microwave. Flooring will be a combination of wall-to-wall carpeting and vinyl tile in the kitchen / bathrooms. In addition, all units will include high speed internet access, cable TV connections, and window blinds. The proposed unit features at Freedom's Path II will be competitive with existing LIHTC and market rate rental communities in and around the Freedom's Path II Market Area and will be well received by the target market.
- **Community Amenities:** Freedom's Path II's community amenity package will include a multi-purpose room with kitchen, fitness center, covered porch, computer center, and central laundry facility. These amenities will be competitive with the surveyed rental stock in the Freedom's Path II Market Area and will be appealing to prospective tenants.
- **Marketability:** Freedom's Path II will offer an attractive product that will be affordable and competitive with existing market rate and LIHTC rental communities in the Freedom's Path II Market Area. Freedom's Path II will be specifically designed to meet the needs of the targeted special needs population. The adaptive reuse of the historic buildings will result in a unique and attractive community that maintains the character of the neighborhood. The proposed design will be well received among the target population.

E. Impact on Existing Market

The development of Freedom's Path II Apartments should not have an adverse impact on the existing rental stock in the Freedom's Path II Market Area, as none of the LIHTC and market rate rental communities serve the same tenant population as the subject property. In addition, the subject property is likely to attract a significant number of tenants from beyond the Freedom's Path II Market Area in the greater Augusta-Richmond County region. Furthermore, the rental market in the Freedom's Path II Market Area is generally performing well with modest vacancies.

F. Final Conclusion / Recommendation

At the time of this report, Freedom's Path II did not have a firm commitment for additional subsidies in concert with its proposed LIHTC funding. As such, the proposed development was evaluated strictly without the inclusion of project based rental assistance (PBRA); however, it is our understanding that, given its special needs target market, the subject property is likely to receive project based subsidies through the Augusta Housing Authority and/or the U.S. Department of Veteran Affairs prior to development.

Based on an analysis of the proposed target market, demand for these specialized units, current rental market conditions, and socio-economic and demographic characteristics of the Freedom's Path II Market Area, RPRG believes that the proposed Freedom's Path II will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance into the rental market.

The product to be constructed will be not only be geared toward the special needs population, but will also be competitive with the local rental market. The proposed development will also help address the void for permanent housing for homeless veterans. We recommend proceeding with the project as planned.

A handwritten signature in black ink, appearing to read 'Michael Riley'.

Michael Riley
Analyst

A handwritten signature in black ink, appearing to read 'Tad Scepaniak'.

Tad Scepaniak
Principal

APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



APPENDIX 2 ANALYST CERTIFICATION, SIGNED STATEMENT OF REQUIREMENTS, AND MARKET STUDY REPRESENTATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I affirm that I have made a physical inspection of the market area and the subject property and that Information has been used in the full study of the need and demand for the proposed units.
- To the best of my knowledge, the market can support the proposed project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs.
- DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.

A handwritten signature in black ink, appearing to read 'Michael Riley', is positioned above a horizontal line.

Michael Riley
Analyst
Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.

APPENDIX 3 NCAHMA CERTIFICATION

This market study has been prepared by Real Property Research Group, Inc., a member in good standing of the National Council of Affordable Housing Market Analysts (NCAHMA). This study has been prepared in conformance with the standards adopted by NCAHMA for the market analysts' industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects and Model Content Standards for the Content of Market Studies for Affordable Housing Projects. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Affordable Housing Market Analysts.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCAHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepianiak

Name

Principal

Title

June 8, 2012

Date



APPENDIX 4 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld founded Real Property Research Group in February 2001 after more than 20 years of experience in the field of residential market research. As an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason, he has closely monitored residential markets throughout the Mid-Atlantic United States. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for-sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles.

Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, where he analyzed markets throughout the Eastern United States and evaluated the company's active building operation on an ongoing basis.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders and the National Council on Seniors Housing. Recent articles have appeared in ULI's Multifamily Housing Trends magazine. Mid-Atlantic Builder.

Bob is currently a member of the National Council of Affordable Housing Market Analysts' executive committee serving as Chair.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects of these analyses have included for-sale single family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations, and continuing care facilities for the elderly. In addition, he has conducted feasibility work in conjunction with Hope VI applications for redevelopment of public housing sites and analyses of rental developments for 221(d)4 insurance and tax credit applications.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for-sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), allowing the comprehensive integration of data.

Education:

Masters of Urban and Regional Planning; The George Washington University.

Bachelor of Arts, Political Science; Northeastern University.

TAD SCEPANIAK

Mr. Scepaniak directs our Atlanta office. He has thirteen years of experience in the field of residential rental market research. Before joining the firm, Tad was president of national firm, where he was involved extensively in the Low Income Tax Credit program throughout the entire United States. Mr. Scepaniak has completed work in approximately 25 states and Puerto Rico over the past eight years. He also has experience conducting studies under the HUD 221d program, market rate rental properties, and student housing developments. Along with work for developer clients, Tad has led our research efforts for both the North Carolina and Georgia Housing Finance agencies. Mr. Scepaniak is also responsible for development and implementation of many of the firm's automated analytic systems.

Tad is a member of the National Council of Affordable Housing Market Analysts' (NCAHMA) Standards Committee and has been involved in the development of the organization's Standard Definitions, Recommended Market Study Content, and various white papers regarding market areas, derivation of market rents, and selection of comparable properties.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions. Mr. Scepaniak not only works with developers in their efforts to obtain tax credit financing, but also has received large contracts with state housing agencies including North Carolina Housing Finance Agency and Georgia Department of Community Affairs.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however, his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia.

MICHAEL RILEY

Michael Riley joined the Atlanta office of Real Property Research Group upon college graduation in 2006. Beginning as a Research Associate, Michael gathered economic, demographic, and competitive data for market feasibility analyses concentrating in family and senior affordable housing. Since transitioning to an Analyst position in late 2007, he has performed market analyses for both affordable and market rate rental developments throughout the United States including work in Georgia, Iowa, North Carolina, South Carolina, Tennessee, and Virginia.

Michael has also assisted in the development of research tools for the organization, including developing a rent comparability table that is now incorporated in many RPRG analyses.

Education:

Bachelor of Business Administration – Finance; University of Georgia

APPENDIX 5 DCA CHECKLIST

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

The report was written according to DCA's market study requirements, that the information included is accurate and that the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

I also certify that I have inspected the subject property as well as all rent comparables.

Signed: 

Date: June 8, 2012

Tad Scepianiak

A. Executive Summary

1. Project Description:		
i. Brief description of the project location including address and/or position relative to the closest cross-street.....	Page(s)	v
ii. Construction and Occupancy Types	Page(s)	v
iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowance	Page(s)	v
iv. Any additional subsidies available, including project based rental assistance (PBRA)	Page(s)	v
v. Brief description of proposed amenities and how they compare with existing properties	Page(s)	v
2. Site Description/Evaluation:		
i. A brief description of physical features of the site and adjacent parcels.....	Page(s)	vi
ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).....	Page(s)	vi
iii. A discussion of site access and visibility	Page(s)	vi
iv. Any significant positive or negative aspects of the subject site.....	Page(s)	vi
v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc	Page(s)	vi
vi. An overall conclusion of the site's appropriateness for the proposed development.....	Page(s)	vi
3. Market Area Definition:		
i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site	Page(s)	vi
4. Community Demographic Data:		
i. Current and projected household and population counts for the PMA.....	Page(s)	vii
ii. Household tenure including any trends in rental rates.	Page(s)	vii
iii. Household income level.	Page(s)	vii

iv. Discuss Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development.	Page(s)	vii
5. Economic Data:		
i. Trends in employment for the county and/or region.....	Page(s)	vii
ii. Employment by sector for the primary market area.	Page(s)	vii
iii. Unemployment trends for the county and/or region for the past five years.....	Page(s)	vii
iv. Brief discussion of recent or planned employment contractions or expansions.....	Page(s)	vii
v. Overall conclusion regarding the stability of the county's economic environment..	Page(s)	vii
6. Project Specific Affordability and Demand Analysis:		
i. Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households.....	Page(s)	viii
ii. Overall estimate of demand based on DCA's demand methodology.....	Page(s)	viii
iii. Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), and a conclusion regarding the achievability of these capture rates.....	Page(s)	viii
7. Competitive Rental Analysis		
i. An analysis of the competitive properties in the PMA.	Page(s)	viii-ix
ii. Number of properties.....	Page(s)	viii-ix
iii. Rent bands for each bedroom type proposed.	Page(s)	viii-ix
iv. Average market rents.....	Page(s)	viii-ix
8. Absorption/Stabilization Estimate:		
i. Expected absorption rate of the subject property (units per month).....	Page(s)	x
ii. Expected absorption rate by AMI targeting.	Page(s)	x
iii. Months required for the project to reach a stabilized occupancy of 93 percent.	Page(s)	x
9. Overall Conclusion:		
i. A narrative detailing key conclusions of the report including the analyst's opinion regarding the proposed development's potential for success.....	Page(s)	x
10. Summary Table.....	Page(s)	xii

B. Project Description

1. Project address and location.	Page(s)	5
2. Construction type.	Page(s)	5
3. Occupancy Type.	Page(s)	3
4. Special population target (if applicable).	Page(s)	3
5. Number of units by bedroom type and income targeting (AMI).....	Page(s)	4,5
6. Unit size, number of bedrooms, and structure type.	Page(s)	5
7. Rents and Utility Allowances.....	Page(s)	5
8. Existing or proposed project based rental assistance.....	Page(s)	3
9. Proposed development amenities.....	Page(s)	4,5
10. For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost.	Page(s)	N/A
11. Projected placed-in-service date.....	Page(s)	6

C. Site Evaluation

1. Date of site / comparables visit and name of site inspector.	Page(s)	2
2. Site description		
i. Physical features of the site.	Page(s)	7
ii. Positive and negative attributes of the site.....	Page(s)	7,16

iii. Detailed description of surrounding land uses including their condition.....	Page(s)	7
3. Description of the site's physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	12
4. Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	10
5. Neighborhood Characteristics		
i. Map identifying the location of the project.....	Page(s)	8
ii. List of area amenities including their distance (in miles) to the subject site.....	Page(s)	14
iii. Map of the subject site in proximity to neighborhood amenities.....	Page(s)	18
6. Map identifying existing low-income housing projects located within the PMA and their distance from the subject site.....	Page(s)	69
7. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	13
8. Discussion of accessibility, ingress/egress, and visibility of the subject site.....	Page(s)	12
9. Visible environmental or miscellaneous site concerns.....	Page(s)	7
10. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	16
 D. Market Area		
1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	18
2. Map Identifying subject property's location within market area.....	Page(s)	20
 E. Community Demographic Data		
1. Population Trends		
i. Total Population.....	Page(s)	20
ii. Population by age group.....	Page(s)	23
iii. Number of elderly and non-elderly.....	Page(s)	23
iv. Special needs population (if applicable).....	Page(s)	
2. Household Trends		
i. Total number of households and average household size.....	Page(s)	23
ii. Household by tenure.....	Page(s)	23
iii. Households by income.....	Page(s)	29
iv. Renter households by number of persons in the household.....	Page(s)	23
 F. Employment Trends		
1. Total jobs in the county or region.....	Page(s)	35
2. Total jobs by industry – numbers and percentages.....	Page(s)	35
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	40
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years.....	Page(s)	32
5. Map of the site and location of major employment concentrations.....	Page(s)	37
6. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	32
 G. Project-specific Affordability and Demand Analysis		
1. Income Restrictions / Limits.....	Page(s)	43

2. Affordability estimates.....	Page(s)	46
3. Components of Demand		
i. Demand from new households.....	Page(s)	49
ii. Demand from existing households.....	Page(s)	49
iii. Elderly Homeowners likely to convert to rentership.....	Page(s)	N/A
iv. Secondary market demand.....	Page(s)	49
v. Other sources of demand (if applicable).....	Page(s)	49
4. Net Demand, Capture Rate, and Stabilization Calculations		
i. Net demand		
1. By AMI Level.....	Page(s)	49
2. By floor plan.....	Page(s)	49
ii. Capture rates		
1. By AMI level.....	Page(s)	49
2. By floor plan.....	Page(s)	49
3. Capture rate analysis chart.....	Page(s)	xi

H. Competitive Rental Analysis

1. Detailed project information for each competitive rental community surveyed		
i. Charts summarizing competitive data including a comparison of the proposed project's rents, square footage, amenities, to comparable rental communities in the market area.....	Page(s)	61
2. Additional rental market information		
i. An analysis of voucher and certificates available in the market area.....	Page(s)	65
ii. Lease-up history of competitive developments in the market area.....	Page(s)	
iii. Tenant profile and waiting list of existing phase (if applicable).....	Page(s)	N/A
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable).....	Page(s)	N/A
3. Map showing competitive projects in relation to the subject property.....	Page(s)	62
4. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities.....	Page(s)	
5. For senior communities, an overview / evaluation of family properties in the PMA.....	Page(s)	60
6. Subject property's long-term impact on competitive rental communities in the PMA.....	Page(s)	75
7. Competitive units planned or under construction the market area		
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information.....	Page(s)	68
8. Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc.....	Page(s)	74
i. Average market rent and rent advantage.....	Page(s)	62
9. Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area.....	Page(s)	75
10. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.....	Page(s)	
11. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	67
12. Discussion of primary housing voids in the PMA as they relate to the subject property.....	Page(s)	75

I. Absorption and Stabilization Rates

1. Anticipated absorption rate of the subject property.....	Page(s)	69
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2. Stabilization period.....	Page(s)	69
J. Interviews.....	Page(s)	69
K. Conclusions and Recommendations		
1. Conclusion as to the impact of the subject property on PMA.....	Page(s)	75
2. Recommendation as the subject property's viability in PMA.....	Page(s)	75
L. Signed Statement Requirements.....	Page(s)	81

APPENDIX 6 NCAHMA CHECKLIST

Introduction: Members of the National Council of Affordable Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	3-5
3.	Utilities (and utility sources) included in rent	4, 5
4.	Project design description	3
5.	Unit and project amenities; parking	4
6.	Public programs included	4
7.	Target population description	3
8.	Date of construction/preliminary completion	6
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	3
Location and Market Area		
11.	Market area/secondary market area description	18
12.	Concise description of the site and adjacent parcels	7
13.	Description of site characteristics	7-16
14.	Site photos/maps	10-11
15.	Map of community services	18
16.	Visibility and accessibility evaluation	12
17.	Crime information	12
Employment and Economy		
18.	Employment by industry	35
19.	Historical unemployment rate	32
20.	Area major employers	35
21.	Five-year employment growth	35
22.	Typical wages by occupation	40
23.	Discussion of commuting patterns of area workers	32
Demographic Characteristics		

24.	Population and household estimates and projections	20
25.	Area building permits	20
26.	Distribution of income	29
27.	Households by tenure	23
Competitive Environment		
28.	Comparable property profiles	93
29.	Map of comparable properties	62
30.	Comparable property photos	93
31.	Existing rental housing evaluation	57-62
32.	Comparable property discussion	57-62
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	
34.	Comparison of subject property to comparable properties	57-62
35.	Availability of Housing Choice Vouchers	65
36.	Identification of waiting lists	
37.	Description of overall rental market including share of market-rate and affordable properties	57-62
38.	List of existing LIHTC properties	65
39.	Discussion of future changes in housing stock	68
40.	Discussion of availability and cost of other affordable housing options, including homeownership	68
41.	Tax credit and other planned or under construction rental communities in market area	68
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	43
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	72
45.	Derivation of Achievable Market Rent and Market Advantage	N/A
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	70- 71
48.	Market strengths and weaknesses impacting project	74
49.	Recommendation and/or modification to project description	75, if applicable
50.	Discussion of subject property's impact on existing housing	75
51.	Absorption projection with issues impacting performance	69
52.	Discussion of risks or other mitigating circumstances impacting project	75, if applicable
53.	Interviews with area housing stakeholders	69
Certifications		
54.	Preparation date of report	Cover

55.	Date of field work	2
56.	Certifications	81
57.	Statement of qualifications	76
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A

APPENDIX 7 MARKET AREA RENTAL COMMUNITY PROFILES

Community	Address	City	Phone Number	Date Surveyed	Contact	Condition
Aumond Villa	3151 Lake Front Dr.	Augusta	706-733-3823	6/7/2012	Property Manager	Average
Baywood	2595 Kelly St.	Augusta	706-738-9106	6/7/2012	Property Manager	Average
Bransford	2933 Henry St.	Augusta	706-738-8586	6/7/2012	Property Manager	Average
Champion Pines	1500 Champion Pines Ln.	Augusta	706-733-1600	6/7/2012	Property Manager	Good
Davidson Terrace	1753 Davidson Dr.	Augusta	803-215-1940	6/7/2012	Property Manager	Fair
Forest Brook	3122 Demascus Rd.	Augusta	706-738-8440	6/7/2012	Property Manager	Average
Forest Hills	2801 Walton Way	Augusta	706-364-7490	6/7/2012	Property Manager	Fair
Georgian Place	1700 Valley Park Ct.	Augusta	706-733-7829	6/7/2012	Property Manager	Average
Highland Terrace	2595 Kelly St.	Augusta	706-738-9106	6/7/2012	Property Manager	Average
Magnolia Park	2133 Vandivere Rd.	Augusta	706-738-9912	5/31/2012	Property Manager	Fair
Oak Hill	817 Hickman Rd.	Augusta	706-733-9717	6/7/2012	Property Manager	Average
Singleton	2595 Kelly St.	Augusta	706-738-9106	6/7/2012	Property Manager	Average
Vintage Creek	1924 Northleg Rd.	Augusta	706-736-4748	6/7/2012	Property Manager	Fair
Walton Heights	2038 Fenwick St.	Augusta	706-312-2950	6/7/2012	Property Manager	Average
Walton Manor	2208 Walden Dr.	Augusta	706-312-2950	6/7/2012	Property Manager	Average
Willow Ridge	2812 Joy Rd.	Augusta	706-738-5339	6/7/2012	Property Manager	Average
Woodhaven	1840 Killingsworth Rd.	Augusta	706-733-4832	5/16/2012	Property Manager	Average
Yorktown	2476 Mcdowell St.	Augusta	706-736-4672	6/7/2012	Property Manager	Average

Aumond Villa**Multifamily Community Profile**

3151 Lake Front Dr.
Augusta, GA

Community Type: **Market Rate - General**

Structure Type: **2-Story Garden**

88 Units

5.7% Vacant (5 units vacant) as of 6/7/2012

Opened in 1965



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	50.0%	\$559	1,050	\$0.53	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	50.0%	\$651	1,410	\$0.46	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	
					<input type="checkbox"/>	

Features

Standard: **Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony**

Select Units: --

Optional(\$): --

Security: --

Parking 1: **Free Surface Parking**
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments**Floorplans (Published Rents as of 6/ 7/ 2012) (2)****Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1.5	44	\$610	1,050	\$0.58	Market	6/7/12	5.7%	--	\$559	\$651
Garden	--	3	2	44	\$710	1,410	\$0.50	Market	3/23/11	4.5%	--	\$555	\$647
									7/13/10	4.5%	--	\$527	\$632

Adjustments to Rent

Incentives:

1 month free

Utilities in Rent: Heat Fuel: **Electric**

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒

Hot Water: ☐ Electricity: ☐ Trash: ☒

Aumond Villa

GA245-014369

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Baywood

Multifamily Community Profile

2595 Kelly St.
Augusta,GA

CommunityType: Market Rate - General

Structure Type: Townhouse

17 Units

5.9% Vacant (1 units vacant) as of 6/7/2012

Opened in 1985

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	100.0%	\$500	940	\$0.53	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; Central A/C; Patio/Balcony

Select Units: In Unit Laundry

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1	17	\$500	940	\$53	Market	6/7/12	5.9%	--	\$500	--
									3/23/11	5.9%	--	\$525	--
									7/13/10	0.0%	--	\$490	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Baywood

GA245-014370

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Bransford**Multifamily Community Profile**

2933 Henry St.
Augusta,GA

CommunityType: Market Rate - General

Structure Type: Townhouse

72 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Opened in 1949



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	100.0%	\$625	1,180	\$0.53	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Stacked); Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments**Floorplans (Published Rents as of 6/ 7/ 2012) (2)****Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	72	\$625	1,180	\$0.53	Market	6/7/12	0.0%	--	\$625	--
									7/13/10	0.0%	--	\$595	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Bransford

GA245-014371

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Champion Pines

Multifamily Community Profile

1500 Champion Pines Lane
Augusta, GA 30909

Community Type: Market Rate - General

Structure Type: Garden

220 Units

2.3% Vacant (5 units vacant) as of 6/7/2012

Opened in 1987



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	\$585	500	\$1.17	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$640	700	\$0.91	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$753	1,000	\$0.75	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input checked="" type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Cable TV

Select Units: Fireplace

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Cable included

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	--	\$585	500	\$1.17	Market	6/7/12	2.3%	\$640	\$753	--
Garden	--	1	1	--	\$640	700	\$0.91	Market	3/23/11	8.2%	\$630	\$753	--
Garden	--	2	2	--	\$785	1,100	\$0.71	Market	5/27/10	5.9%	\$630	\$753	--
Garden	--	2	1	--	\$720	900	\$0.80	Market	2/20/07	7.3%	\$580	\$700	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Champion Pines

GA245-008764

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Davidson Terrace**Multifamily Community Profile**

1753 Davidson Dr.
Augusta, GA

Community Type: **Market Rate - General**

Structure Type: **Duplex**

8 Units

0.0% Vacant (0 units vacant) as of 6/7/2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	100.0%	\$500	900	\$0.56	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: **Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C**

Select Units: --

Optional(\$): --

Security: **Keyed Bldg Entry**

Parking 1: **Free Surface Parking**
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments**Floorplans (Published Rents as of 6/ 7/ 2012) (2)****Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	2	1	8	\$500	900	\$0.56	Market	6/7/12	0.0%	--	\$500	--
									3/23/11	0.0%	--	\$515	--
									7/13/10	12.5%	--	\$515	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: **Electric**

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Davidson Terrace

GA245-014372

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Forest Brook

Multifamily Community Profile

3122 Damascus Rd
Augusta, GA 30909

CommunityType: LIHTC - General

Structure Type: 2-Story Garden

161 Units 0.0% Vacant (0 units vacant) as of 6/7/2012

Last Major Rehab in 1999 Opened in 1984



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	35.4%	\$450	580	\$0.78	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	59.6%	\$538	878	\$0.61	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	5.0%	\$675	1,250	\$0.54	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input checked="" type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	
					<input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; In Unit Laundry (Hook-ups); Central A/C

Select Units: --

Optional(\$): --

Security: Gated Entry; Cameras

Parking 1: Free Surface Parking

Parking 2: --

Fee: --

Fee: --

Property Manager: --

Owner: --

Comments

Waitlist of 5 people for one bedroom units and 2 people for three bedroom units

10 vacancies but all units are pre-leased

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	57	\$450	580	\$0.78	LIHTC/ 60%	6/7/12	0.0%	\$450	\$538	\$675
Garden	--	2	1	48	\$525	840	\$0.63	LIHTC/ 60%	3/23/11	6.2%	\$450	\$538	\$675
Garden	--	2	2	48	\$550	916	\$0.60	LIHTC/ 60%	7/13/10	1.9%	\$425	\$525	\$675
Garden	--	3	2	8	\$675	1,250	\$0.54	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒Hot Water: ☐ Electricity: ☐ Trash: ☒

Forest Brook

GA245-008773

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Forest Hills

Multifamily Community Profile

2801 Walton Way
Augusta,GA

CommunityType: Market Rate - General

Structure Type: Garden

72 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Last Major Rehab in 1995

Opened in 1945



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	\$595	750	\$0.79	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	--	\$688	1,075	\$0.64	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C

Select Units: Disposal; Patio/Balcony

Optional(\$): --

Security: --

Parking 1: Free Surface Parking

Parking 2: --

Fee: --

Fee: --

Property Manager: --

Owner: --

Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$595	750	\$0.79	Market	6/7/12	0.0%	\$595	\$688	--
Garden	--	2	2	--	\$720	1,200	\$0.60	Market	3/23/11	1.4%	\$565	\$648	--
Garden	--	2	1	--	\$655	950	\$0.69	Market	7/13/10	2.8%	\$560	\$645	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☐

Cooking: ☐

Wtr/Swr: ☒

Hot Water: ☐

Electricity: ☐

Trash: ☒

Forest Hills

GA245-014373

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Georgian Place**Multifamily Community Profile**

1700 Valley Park Ct
Augusta, GA 30909

Community Type: Market Rate - General

Structure Type: Garden/TH

324 Units 6.2% Vacant (20 units vacant) as of 6/7/2012

Opened in 1968



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$499	715	\$0.70	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$582	1,008	\$0.58	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Three	--	\$704	1,150	\$0.61	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features

Standard: Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: Dishwasher

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments**Floorplans (Published Rents as of 6/ 7/ 2012) (2)****Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$499	715	\$0.70	Market	6/7/12	6.2%	\$499	\$582	\$704
Garden	--	2	2	--	\$609	1,000	\$0.61	Market	3/23/11	4.0%	\$529	\$636	\$764
Townhouse	--	2	1.5	--	\$589	1,088	\$0.54	Market	7/13/10	8.0%	\$529	\$642	\$760
Garden	--	2	1	--	\$549	935	\$0.59	Market	2/10/06	5.9%	\$429	\$557	\$645
Garden	--	3	1.5	--	\$679	1,100	\$0.62	Market					
Garden	--	3	2	--	\$729	1,200	\$0.61	Market					

Adjustments to Rent

Incentives:

Reduced rent

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Georgian Place

GA245-008758

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Highland Terrace

Multifamily Community Profile

2595 Kelly St.
Augusta, GA

Community Type: Market Rate - General

Structure Type: Townhouse

32 Units

3.1% Vacant (1 units vacant) as of 6/7/2012

Opened in 1985

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	100.0%	\$500	940	\$0.53	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: Disposal; Microwave; Ice Maker; Ceiling Fan; Central A/C; Patio/Balcony

Select Units: Dishwasher; In Unit Laundry

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1	32	\$500	940	\$0.53	Market	6/7/12	3.1%	--	\$500	--
									3/23/11	12.5%	--	\$490	--
									7/13/10	9.4%	--	\$490	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Highland Terrace

GA245-014374

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Magnolia Park**Multifamily Community Profile**

2133 Vandivere Rd
Augusta, GA

CommunityType: LIHTC - General

Structure Type: Garden/TH

171 Units 16.4% Vacant (28 units vacant) as of 5/31/2012

Last Major Rehab in 1996 Opened in 1969



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	7.6%	\$400	710	\$0.56	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	88.9%	\$512	989	\$0.52	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	3.5%	\$615	1,100	\$0.56	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

No reason given for high vacancy

Floorplans (Published Rents as of 5/31/2012) (2)**Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	13	\$400	710	\$0.56	LIHTC/ 60%	5/31/12	16.4%	\$400	\$512	\$615
Townhouse	--	2	1.5	103	\$525	1,000	\$0.53	LIHTC/ 60%	5/16/12	15.8%	\$400	\$512	\$615
Garden	--	2	1	49	\$485	965	\$0.50	LIHTC/ 60%	3/23/11	38.6%	\$400	\$474	\$615
Garden	--	3	2	6	\$615	1,100	\$0.56	LIHTC/ 60%	7/9/10	35.1%	\$383	\$479	\$589

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Magnolia Park

GA245-008770

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management

Oak Hill**Multifamily Community Profile**

817 Hickman Rd.
Augusta, GA

Community Type: **Market Rate - General**

Structure Type: **Garden**

120 Units

Occupancy data not currently available

Opened in 1974



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	63.3%	\$498	640	\$0.78	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	36.7%	\$585	1,010	\$0.58	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	
					<input type="checkbox"/>	

Features

Standard: **Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony**

Select Units: --

Optional(\$): --

Security: --

Parking 1: **Free Surface Parking**

Parking 2: --

Fee: --

Fee: --

Property Manager: --

Owner: --

**Comments**

Management refused occupancy information

Floorplans (Published Rents as of 6/ 7/ 2012) (2)**Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	76	\$498	640	\$0.78	Market	6/7/12	--	\$498	\$585	--
Garden	--	2	1	44	\$585	1,010	\$0.58	Market	3/23/11	--	\$499	\$555	--
									7/13/10	0.0%	\$489	\$555	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: **Electric**

Heat: ☐

Cooking: ☐

Wtr/Swr: ☒

Hot Water: ☐

Electricity: ☐

Trash: ☒

Oak Hill

GA245-014375

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Singleton

Multifamily Community Profile

2595 Kelly St.
Augusta, GA

Community Type: Market Rate - General

Structure Type: Townhouse

52 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	100.0%	\$500	940	\$0.53	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1	52	\$500	940	\$0.53	Market	6/7/12	0.0%	--	\$500	--
									3/23/11	0.0%	--	\$525	--
									7/13/10	5.8%	--	\$500	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Singleton

GA245-014376

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Vintage Creek

Multifamily Community Profile

1924 Northleg Rd
Augusta, GA 30909

Community Type: Market Rate - General

Structure Type: 2-Story Garden

104 Units 2.9% Vacant (3 units vacant) as of 6/7/2012

Opened in 1972



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	Comm Rm:	Basketball:
One	23.1%	\$540	884	\$0.61	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	76.9%	\$585	984	\$0.59	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$525	884	\$0.59	Market	6/7/12	2.9%	\$540	\$585	--
Garden	--	2	1	80	\$565	984	\$0.57	Market	3/23/11	0.0%	\$520	--	--
									5/27/10	8.7%	\$510	\$545	--
									2/20/07	6.7%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☐
Hot Water: ☐ Electricity: ☐ Trash: ☒

Vintage Creek

GA245-008775

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Walton Heights

Multifamily Community Profile

2038 Fenwick St.
Augusta,GA

CommunityType: Deep Subsidy-Disabled

Structure Type: Garden

9 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Opened in 1996

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	100.0%	--	800		Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: In Unit Laundry (Hook-ups); Central A/C

Select Units: Microwave; Ceiling Fan

Optional(\$): --

Security: Keyed Bldg Entry

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Very long wait list

Physically disabled community

Section 8, contract rent was unavailable

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	9	--	800	--	Section 8	6/7/12	0.0%	--	\$0	--
									3/23/11	0.0%	--	\$0	--
									7/12/10	0.0%	--	\$0	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒

Hot Water: ☐ Electricity: ☐ Trash: ☒

Walton Heights

GA245-014380

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Walton Manor**Multifamily Community Profile**2208 Walden Dr.
Augusta,GA

CommunityType: Deep Subsidy-Disabled

Structure Type: Garden

5 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Opened in 1996

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	100.0%	--	--	--	Comm Rm:	Basketball:
One	--	--	--	--	Centrl Lndry:	Tennis:
One/Den	--	--	--	--	Elevator:	Volleyball:
Two	--	--	--	--	Fitness:	CarWash:
Two/Den	--	--	--	--	Hot Tub:	BusinessCtr:
Three	--	--	--	--	Sauna:	ComputerCtr:
Four+	--	--	--	--	Playground:	

Features

Standard: Central A/C

Select Units: --

Optional(\$): --

Security: Keyed Bldg Entry

Parking 1: Free Surface Parking

Parking 2: --

Fee: --

Fee: --

Property Manager: --

Owner: --

Comments

Group Home, 5 beds and all are occupied / Dishwasher, Disposal and Microwave shared

Section 8, contract rents unavailable

Long waitlist - Traumatic brain injury disabilities

Floorplans (Published Rents as of 6/ 7/ 2012) (2)**Historic Vacancy & Eff. Rent (1)**

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	5	--	--	--	Section 8	6/7/12	0.0%	--	--	--
									3/23/11	0.0%	--	--	--
									7/12/10	0.0%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☒Cooking: ☒Wtr/Swr: ☒Hot Water: ☒Electricity: ☒Trash: ☒

Walton Manor

GA245-014379

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Willow Ridge

Multifamily Community Profile

2812 Joy Rd.
Augusta,GA

CommunityType: Market Rate - General

Structure Type: Townhouse

120 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Last Major Rehab in 2009

Opened in 1968



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$595	1,010	\$0.59	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input checked="" type="checkbox"/>

Features

Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking

Parking 2: --

Fee: --

Fee: --

Property Manager: --

Owner: --

Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	120	\$595	1,010	\$0.59	Market	6/7/12	0.0%	--	\$595	--
									3/23/11	5.8%	--	\$565	--
									7/13/10	5.8%	--	\$595	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☐

Cooking: ☐

Wtr/Swr: ☒

Hot Water: ☐

Electricity: ☐

Trash: ☒

Willow Ridge

GA245-014377

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Woodhaven

Multifamily Community Profile

1840 Killingsworth Rd
Augusta, GA 30904

Community Type: Market Rate - General

Structure Type: Garden

152 Units 5.3% Vacant (8 units vacant) as of 5/16/2012

Opened in 1979



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$495	567	\$0.87	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	--	--	--	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input checked="" type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	
					<input type="checkbox"/>	

Features

Standard: Ceiling Fan; Central A/C; Carpet / Vinyl/Linoleum

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking

Parking 2: --

Fee: --

Fee: --

Property Manager: --

Owner: --

Comments

Floorplans (Published Rents as of 5/ 16/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	152	\$495	567	\$0.87	Market	5/16/12	5.3%	\$495	--	--
									3/23/11	0.0%	\$488	--	--
									7/9/10	3.3%	\$475	--	--
									4/22/09	8.6%	--	--	--

Adjustments to Rent

Incentives:

None

Utilities in Rent:

Heat Fuel: Electric

Heat: ☐

Cooking: ☐

Wtr/Swr: ☒

Hot Water: ☐

Electricity: ☐

Trash: ☒

Woodhaven

GA245-008772

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Yorktown

Multifamily Community Profile

2476 Mcdowell St.
Augusta, GA

Community Type: Market Rate - General

Structure Type: Townhouse

31 Units

0.0% Vacant (0 units vacant) as of 6/7/2012

Opened in 1968



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	12.9%	\$450	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	87.1%	\$650	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --



Comments

Floorplans (Published Rents as of 6/ 7/ 2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	1	1	4	\$450	--	--	Market	6/7/12	0.0%	\$450	\$650	--
Townhouse	--	2	1.5	27	\$650	--	--	Market	3/23/11	3.2%	\$500	\$600	--
									7/13/10	6.5%	\$500	\$600	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: ☐ Cooking: ☐ Wtr/Swr: ☒
Hot Water: ☐ Electricity: ☐ Trash: ☒

Yorktown

GA245-014378

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